FORMERLY THE SPICE MILL

COFFEE & TEA INDUSTRIES and The Flavor Field

80th YEAR

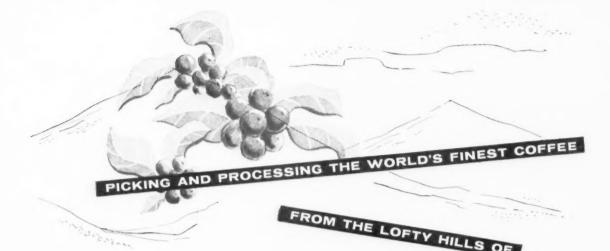
MARCH. 1957

C. E. BICKFORD & CO.

COFFEE BROKERS
AND AGENTS

Since 1886

NEW YORK 120 Wall Street NEW ORLEANS 427 Gravier St.



FOR THE COFFEE PLEASURE OF AMERICA



PLANTING SEED : TRANSPLANTING





& PRUNING







DRYING





NATIONAL FEDERATION OF COFFEE GROWERS OF COLOMBIA

120 Wall Street · New York 5, N. Y.

Member of Pan American Coffee Bureau

Another Coffee Plant

equipped exclusively with Gump RAY-NOX Roasters

Profits from these RAY-NOX Advantages

Roasts of improved cup and keeping qualities.

Excelling in bouquet, fullness of cup, and degree of infusion. *And*, free of any metallic taste . . . free of any contamination from objectionable roasting by-products.

Savings in roasting costs.

In gas-power-maintenance,

Operating convenience.

Cleaning made easier by ready accessibility of the *stainless steel* roasting cylinder, flights, and inner housing. Simplified lubrication.

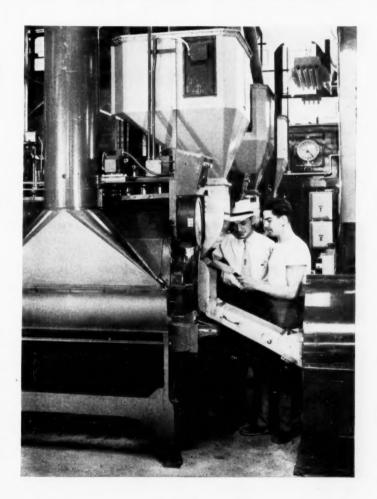
Maximum safety.

Safety devices used on Gump Ray-Nox Roasters are latest, Factory Mutual approved types.

Optional accessories and controls.

Choice of accessories and controls, up to completely automatic roasting and cooling.

Join the growing number of coffee firms that already see the benefits of Gump Ray-Nox Roasters in their business. When you expand or modernize your roasting department—don't fail to gain these profitable advantages of the Ray-Nox. Write today for complete details on the Gump Ray-Nox Roaster and auxiliary roasting department equipment, and the able assistance of Gump engineers.





B. F. GUMP CO. 1312 S. Cicero Avenue, Chicago 50, Illinois

-Engineers and Manufacturers Since 1872 -

GUMP RAY-NOX COFFEE ROASTERS • GUMP COFFEE GRANULIZERS • IDEAL GREEN COFFEE CLEANERS

BAR-NUN "AUTO-CHECK" NET WEIGHERS • BAR-NUN BAG FEEDERS, OPENERS AND WEIGHERS

DRAVER COFFEE BLENDING SYSTEMS • ELEVATORS AND CONVEYORS • EDTBAUER-DUPLEX NET WEIGHERS

3 GREAT COMPANIES TO KICK OFF ICED COFFEE

Wilson & Co., Inc. (Bacon)

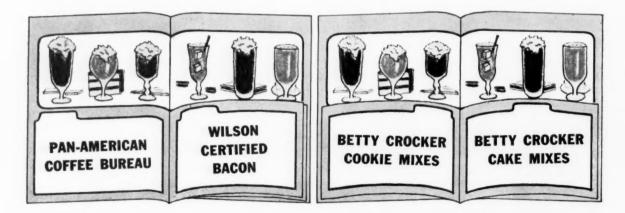
General Mills, Inc. (Cake and cookie mixes)

Carnation Company (Evaporated milk)

Shown below is the power-packed advertisement that will send this year's Iced Coffee promotion off to a flying start. Basically, it's a double page four-color spread sponsored by the Bureau — with an insert of four hard-selling "Dutch-doors" tying in products of the nationally known cooperative advertisers listed above. Each "Dutch-door" is keyed to a special Iced Coffee drink and thus will create countless opportunities for point-of-purchase merchandising.

This spectacular advertisement will appear in the June 8th issue of the Saturday Evening Post — will be supported by single page four color ads in Ladies' Home Journal, McCall's and Seventeen — total circulation in June — over 15,500,000 — all on Iced Coffee!

In addition, the Bureau will continue to advertise Iced Coffee all summer long in national media, reaching millions of your customers.



JOIN WITH P.A.C.B. THIS SUMMER'S PROMOTION!

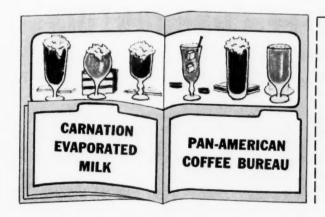
Display and point-of-purchase materials of every sort will promote coffee — plus these famous foods — in tens of thousands of stores and restaurants. Coffee will be featured in the dairy department, in the meat department, with cake and cookie mixes — as well as in the coffee department. Your restaurant customers, too, will profit from the effects of this nationwide promotion and display.

Trade advertising by the Bureau will also push coffee. As just one example, a special full-color insert of this great coffee-and-food combination advertisement will be carried by Supermarket News S.M.I. Convention Issue (April 8th) to over 50,000 top grocery merchandisers.

Plan to tie in with this great national Iced Coffee campaign. Contact the local distributors of the cooperating advertisers. Get your salesmen and theirs working together to blanket all of your accounts. Use the handy coupon below to order the point-of-sale material you'll need to make this your biggest Iced Coffee drive!



ORDER NOW!



	er Blank for the 1957 Iced Coffee
Name	
Address	
City	Zone
State	

PAN-AMERICAN COFFEE BUREAU 120 Wall Street, New York 5, N.Y.

Brazil • Colombia • Costa Rica • Cuba • Dominican Republic Ecuador • El Salvador • Guatemala • Honduras • Mexico • Venezuela

C-2

Extraordinary AROMA AND RICHNESS

Extraordinary

LOW PRICE

PRIVATE BRAND INSTANT COFFEE

The Result of 60 Years

NATHOR Experience

Send Now For Samples And Prices

EAST COAST COFFEE CORPORATION

601 West 26th Street, New York, N. Y.

Tel.: BOwling Green 9-0148-9-0149

CONGRATULATIONS, Board of Managers of the New York Coffee and Sugar Exchange on your Diamond Jubilee.

Coffee & Tea Industries and The Flavor Field, published monthly by The Spice Mill Publishing Company, 106 Water St., New York, N. Y. Subscriptions \$4.00 a year, 50 cents per copy, March 1957 Vol. 80 No. 3. Reentered as second class matter June 22, 1951, at the Post Office at New York, N. Y., under the Act of March 3, 1879.

MORE THAN EVER

IS THE TIME TO

SAVE



THEY ARE SWEET AND THEY WILL BRING DOWN THE COST OF YOUR BLENDS

JUNTA EXPORTAÇÃO CAFÉ

HEAD OFFICE: RUA AUGUSTA - 27-LISBON-PORTUGAL

Sell your instant coffee the modern way

with Continental's

Savorlock Cans

Now you can give your instant coffee up-to-date sales appeal plus up-to-date protection — with Continental's new Savorlock cans.

Specially designed for today's self-service buying, Savorlock cans give you eye-catching, top-tobottom lithography by Continental craftsmen. In addition, these sturdy containers stack securely and permit a maximum number of units to be displayed per running shelf foot.

As for protection, Savorlock cans do double duty. In the store, a tamper-proof glassine seal keeps moisture pickup to a bare minimum. In the home, the lock top provides firm reclosure after each coffee serving. Also important, these widemouthed, lightweight cans can help pare your production and shipping costs.

In 2- and 6-oz. sizes, Continental's new Savorlock cans are ready and waiting to do a job for your instant coffee. Call soon. You'll find our services as up-to-the minute as our containers.





Eastern Division: 100 E. 42nd St., New York 17 Central Division: 135 So. La Salle St., Chicago 3 Pacific Division: Russ Building, San Francisco 4

YOURS for the asking

The booklets listed below contain special ized, detailed information on various subiects. This literature is yours for the asking. Merely fill out the coupon and mail.

-THE MAGIC BEAN

A colorful 16-page, cartoon-style booklet, "The Magic Bean" is being distributed to members of the trade. Illustrations graph-ically depict the coffee story from seed to cup and other interesting information. Back cover has room for your own imprint. National Coffee Association, 120 Wall St., New York 5, N. Y.

2—AUTOMATIC BAGGER

This illustrated folder describes a flat bag filling and sealing machine which is fully automatic. The filling and sealing are both done by the single machine. Glue or heat sealing can be used, or a combination of both. It is suggested especially for packiging coffee for glass coffee-makers. Ulbeco, Inc., 484 State Highway #17, Paramus, N. J.

3-MODERN FILLING MACHINES

This illustrated, four-page folder describes various kinds of filling machines developed for today's packaging require-ments. Among the machines are universal fillers, automatic augar feeds, automatic deplex units, automatic tight wrappers and others. Stokes and Smith Co., 4900 Sum-merdale Ave., Philadelphia 24.

4 -SAMPLE TESTING

Sample testing equipment for coffee and Sample testing equipment for coffee and tea companies is described in a four-page illustrated folder. Covered are sample roasters, testing tables, grinders, sieves, kettle aufits, cuspidors, etc. Among the illustrations is that of a typical coffee testing room. Jabez Burns & Sons, Inc., 11th Avenue at 43rd St., New York 36, N. Y.

5—NEW COFFEE ROASTER

An illustrated folder describes a new coffee roaster, B. F. Gump Co.'s Ray-Nox. The folder tells about the method of roasting used in the Ray-Nox Roaster, and other features of operation and construction, including recording thermometers and controls. B. F. Gump Co., 1325 S. Cicero Avenue, Chicago 50, Ill.

SPICE MILL PUBLISHING CO. 106 Water St., New York 5, N. Y.

MARCH, 1957

Street Address City and State Title Signature

Formerly THE SPICE MILL

FFEE&TEA NDUSTRIES and The Flavor Field

80th Year

MARCH, 1957

Vol. 80, No. 3

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T. M. Reg.

Pioneer Publication in Coffee, Tea, Spice, Flavor

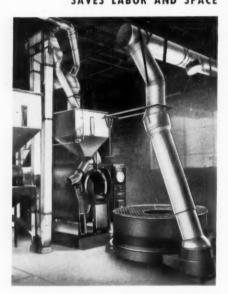
COOLING PROBLEMS GO OUT WHEN STIRFLEX COMES IN

No chance of further roasting with Stirflex Coolers. Their efficient stirring arms spread the hot mass as it comes from the roaster—and keep it in motion until the cooling air has reached every bean. Gentle handling minimizes breakage, and cooling is completely uniform. Send for Bulletin 24A4 which tells how Stirflex can best be adapted to your climate and plant conditions. Here are just two possible improvements you can make:

OUTSIDE AIR COOLING

CAN CUT HEAT COSTS

MODERN COOLING
SAVES LABOR AND SPACE



Even if you are not ready for Thermalo Roasting, you can get modern cooling by installing a Stirflex to work with your Jubilee Roaster as shown. If you have an older model, movable Stirflex, it can be easily converted to a stationary setting—with notable savings in working time and floor area. Let us give you the details.



Many recent Stirflex installations in colder climates use outside air cooling. This eliminates loss of building heat in winter, gives more comfortable working conditions in summer. Outdoor air can be used with either updraft or down draft Stirflex Coolers. Our engineers will gladly furnish you with full information.

JABEZ



AND SONS, INC.

NEW YORK CHICAGO DALLAS SAN FRANCISCO

COFFEE & TEA INDUSTRIES and The Flavor Field

iced coffee on the West Coast

Warmer valley towns outpace other areas in acceptance

By MARK M. HALL, San Francisco Representative Coffee & Tea Industries

As a promotion for increasing sales, iced coffee is too new in the San Francisco area to have full unanimity of opinion regarding its possibilities. A possible explanation is that San Francisco is cool during the summertime, and perhaps the men who decide such problems do not feel the need of a cool drink at the time. If their conferences on the subject were held in sweltering weather, their decisions might be different.

To illustrate the indecision, one large roaster said that the longer he is in the coffee business, the less he thinks he knows. That is not too bad in itself, for knowing is in part finding out what one does not know. He said, for example, that when instants were introduced, he thought they could never compete with fresh roasted vacuum packed coffee. There was too great a difference in the taste. He admitted he was wrong—and as a consequence would not venture an opinion on the future of iced coffee.

This roaster was open-minded, however. At least, he felt, iced coffee would give his advertising department something to talk about in the summertime.

Others in the trade say that Western coffee roasters do not realize the possibilities for increased sales in iced coffee. While most local coffee men agree that the San Francisco Bay area is not a very good field for the promotion of iced coffee, they feel that the hot valley regions have promise, with the top iced coffee territory being Arizona, New Mexico and Texas. And these three states are for the most part within the trading area of many California roasters.

It is during the noon meal, the hottest part of the day, that iced coffee is consumed in the hot valley towns of California, in place of some other cooling beverage. It is believed that morning coffee habits are not affected. Iced coffee, taking the place of some other cool beverage, is therefore a real addition to coffee sales at this time of the year, and helps even up the sales cycle.

The next point on which there seems to be no settled opinion is whether it is better to promote instant coffee or ground coffee for iced coffee. One large firm seems to have settled its promotion on its instants. Another says that they would not promote their instants over their ground. This position is taken for the reason that the largest part of their sales are in ground coffee, and that in the West, sales of instants in relation to ground run about 20%.

Is this the line of reasoning which should be used? While the percentage of consumption may be correct, a better figure to begin with is the percentage of households



This three-dimensional coffee department marker, available from the Pan-American Coffee Bureau, will be boosting iced coffee in food stores across the country. The piece, 24" high by 33" wide, can be put on the top shelf of the coffee section—or on top of a mass display. It has two big brand imprint areas, a place for your packages, a place to show a related item—or your brand of instant, if you sell both. It also has a pocket for recipe suggestions on new ways to serve iced coffee—and the best ways to make it.

having instants on hand. That could be in reverse of the consumption percentage.

In that case, assuming a high percentage of households have instant coffee on hand, the question may resolve itself to deciding which has the best prospects of being promoted for iced coffee. Roasters will have to decide whether, in their opinion, on a hot day, the housewife would be more inclined to heat water, then boil coffee to double strength for the prescribed time, pour it over ice and serve; or whether the process of adding instant to water plus iced cubes would be more appealing. Aroma in serving of iced coffee made from hot coffee would be to a large extent eliminated because of the chilling process, unless it be a lingering odor of the boiling coffee. The question of time and comfort on a hot day may be factors in this operation. The serving of iced coffee would reduce the differences in taste and might require that the problem of promotion be decided on the basis of convenience and simplicity of preparing.

At any rate, this is a question that cannot be entirely decided around the conference table but only by studying public reaction and by experience.

(Continued on page 60)

THE CHALLENGE EVERY ROASTER MUST FACE

The miracle of the past decade in American beverage dietary has been the phenomenal birth and maturity of soluble coffee.

Today the consumer call for coffee . . . in an instant, is everywhere. Often. Regularly.

The trend record is clear. Soluble coffee

sales are dynamically soaring, higher and higher, year after year. Private labels are enjoying a greater share of the total market.

The destiny of every roaster who seeks to protect the name franchise built over the years is now influenced by the <u>right</u> move on instant coffee.

THE TIME OF DECISION IS NOW . . . IN AN INSTANT

If your plans call for aggressively marketing an instant coffee under your private label COFFEE INSTANTS, INC. offers you the <u>right</u> product at the <u>right</u> price, plus the merchandising help of marketing specialists to help you slice off an important share of business under your own label.

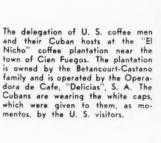
Write for your Free Copy of
"THE CASE OF INSTANT COFFEE
for your Private Brand."



COFFEE INSTANTS, INC.

133-23 35 AVENUE, FLUSHING 54, N. Y.

One of America's Leading Processors of Instant Coffee for Private Brand Distribution





getting to know you

By GEORGE W. LEE, Vice President and General Sales Manager Gold Prize Coffee Co.

About three dozen United States coffee men—roasters, jobbers and roasted coffee salesmen—recently took a weekend look at coffee growing when they flew to Cuba for visits to coffee plantations and processing operations.

The trip was arranged by Gregory L. Martinez, Jr., secretary-treasurer of Carl Borchsenius & Co., Inc., and was sponsored by the Gold Prize Coffee Co., Chicago.

This article is a firsthand report, by one of the Gold Prize men who made the trip.

Also in the group were Hillel A. Horwitz, National Coffee Roasting Corp., New York City. and Max Apfelbaum, East Coast Coffee Corp., New York City; John R. Geblert, Cadillac Coffee Co., Detroit; George W. Kasper, National Tea Co., Chicago; Kenneth R. Lunquist, Edgar W. Potratz and Robert W. Swanson, Swanson Bros., Inc., Chicago; Albert Schaaf, Stewart, Carnal & Co., Ltd., New Orleans; Mr. Martinez; and the 26 Gold Prize Coffee Co. salesmen.

The millions of people who saw either the stage play or the movie, "The King and I," will remember the lilting song, "Getting to Know You," and the friendly message it imparted.

The real meaning of the lyrics of this song were exemplifier in the very recent trip I made to Cuba along with 34 other coffee men. My firm, in lieu of our annual sales meeting, sponsored the trip thus giving the salesmen an opportunity to know all about coffee production and at the same time have a "week-end in Habana."

The Gold Prize Coffee Co. salesmen included Robert G. Bailey, Akron, Ohio; Joseph S. Baglio, Chicago, Ill.; Robert Beaumont, Parma, Ohio; Morris B. Bos, Kalamazoo, Mich.; Pete Catavolos, Cleveland, Ohio; James G. Campfield, Madison, Wis.; Harvey L. Claussen, Davenport, Iowa; Warren K. Farner, Chicago, Ill.; Jay E. Garrison, Mansfield, Ohio; Joseph A. Giuffre, Columbus, Ohio.

Also Everett Hayden, Dayton, Ohio; Harold E. Hoerich, Chicago, Ill.; Thomas J. Hyland, Cleveland, Ohio; Charles H. Kay, Chicago, Ill.; Elmer H. Klemp, Rockford, Ill.; Leland A. Lance, Massillon, Ohio; Harold T. Martin, Dayton, Ohio; Roland T. Nelson, Rockford, Ill.; Joseph H. Pallardy, Chicago, Ill.; Wallace L. Ray, Rockford, Ill.; Harold G. Sandberg, Grand Rapids, Mich.; Lawrence J. Suder, Cincinnati, Ohio; William M. Tarpey, Chicago, Ill.; Michael G. Valles, Cleveland, Ohio; Charles L. Wisener, Jackson, Mich.

The Cuban coffee trade and government treated us royally and our reception was such that in order for me to really report our enjoyment on this trip, I shall have to revert to the diary form of entry:

Friday: We arrived in Havana and were greeted by many dignitaries, including Dr. Evelio Jacomino Marrero, the director of Instituto Cubano de Estabilizacion del Cafe.

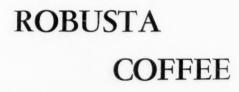
From the airport, we went to a reception held by Fidel Barretto Martinez, Minister of Agriculture of Cuba, and E. Chester, personal aide to President Batista. We were

(Continued on page 52)









from

IVORY COAST

- Increasingly popular because of uniform blending quality.
- Quality assured through modern preparation.

CHAMBER OF COMMERCE

P.O. BOX 1399, ABIDJAN

IVORY COAST, FRENCH W. AFRICA

United States Representative
French Overseas Territories Division
Commercial Counselor to the French Embassy
610 Fifth Avenue, N. Y. 20, N. Y.
CI 5-7974





Top photo shows a view of the modern city of Abidjan, the main port of Ivory Coast. The second photo illustrates a typical coffee tree nursery in the interior. The third photo pictures the spraying of coffee trees with up-to-date equipment. On the lower left is shown a native type drying bed, although the more modern method of drying on concrete is widely used. The center picture illustrates one of the mobile hulling units in use in Ivory Coast. On the right is shown one of the new cleaning and warehousing plants in Abidjan.

the "coffee hunger" spectacular

By JOHN E. THOMPSON, Product Manager, Nescafé The Nestlé Company, Inc.

In the history of the coffee industry there has never been a larger or more significant advertisement, as far as anyone can recall, than the one we have placed for Nescafé. in six center fold pages of the March 18th issue of Life magazine. In full color, with illustrations by one of the nation's most celebrated artists, the advertisement is predominantly institutional, with scarcely more than one fifth of the space we have paid for devoted to a "sell" for Nescafé.

The advertisement is bound to cause a good deal of discussion in the coffee, advertising and food trades in general, and I would I ke to give Nestlé's views on it.

To begin with, this advertisement unquestionably sets a precedent in the coffee trade. It is by its nature an innovation and an experiment. It also represents a pioneering effort in advertising, the first move to adapt the technique of the big television spectacular to the printed

Before telling of the thinking behind this advertisement I'd like to describe it briefly. Titled "The Coffee Hunger of Man," it relates, in entertaining, concisely written text and exciting pictures, the romance and history of coffee from its initial discovery some 1,500 years ago to its place in the home of today. It covers in some detail the coffee houses of London 300 and 400 years ago and their influence-and the influence of coffee itself-on the great writers, statesmen and artists whose home was in the capital of what then was the most powerful nation on earth. The largest of the seven illustrations is devoted to such a coffee house.

The advertisement quite properly can be characterized as a documentary, since its message will benefit the coffee industry as a whole. It also points to the fact that Nestlé's is one of the world's greatest coffee merchants, measured by sales and purchases of green coffee. The company's prominence in instant coffees, which it first introduced in a modern form, may have obscured that fact to the public and even to the trade. Yet Nescafé is sold in 20 different countries and Nestlé's is certainly the world's most experienced maker of instant coffees.

The idea for the advertisement in its present form was originally suggested late last summer and has been in preparation ever since. It is the result of a search which we and Bryan Houston, the head of the advertising agency for Nescafé, has been making for a vehicle that would serve not only to highlight Nestle's position in the coffee world but which would have the impact of a full fledged television spectacular without the enormous cost and short

life of such a project.

"The Coffee Hunger of Man" in six pages in Life seemed to be the ideal answer to our problem for several sound reasons. First, it would appear prominently in the weekly with the largest general circulation in the U.S. Second it would have a full exposure period of at least



Don Cady (right) vice president in charge of advertising and merchandising, for the Nestlé Co., Inc., shows Paul S. Willis, president of the Grocery Manufacturers of America, the largest of three point-of-sale display pieces used in the merchandising campaign for the six-page Nescafé magazine "spectacular" titled "The Coffee Hunger of Man," in the March 18th issue of Life. Mounted on seven-foot-high poles, the display shows a reproduction of the main picture painted by a noted artist, Robert Riggs.

seven days during which readers could examine it at their leisure and, on a diminishing scale in the weeks to follow, hundreds of thousands more people would see it in such locations as waiting rooms, reception rooms and libraries. Third, it had many facets that lent themselves to merchandising.

The merchandising aspect has two distinct angles. One is to utilize the prestige of the advertisement to help dealers sell the product. This is being accomplished with an arresting set of point-of-sale display pieces calling attention to Nescafé and the advertisement. Included are a seven-foot-high pole display featuring the large picture of the coffee house, another an easel display card also built around the picture, which was designed to be particularly effective for end or center aisle use in stores. A third item is an unusually distinctive shelf marker with tear-off pads containing recipes also featured in the ad-

The store campaign is an intensive one, capitalizing on the prestige of the advertisement and planned frankly to attract new customers to Nescafé.

The second angle was planned less for immediate sales and more to enchance the reputation of Nescafé. It is a campaign to bring the institutional message to the attention of senior high school and college teachers and instructors. There is a neat slice of history presented informatively and entertainingly in the advertisement, and

(Continued on page 51)

it's time to decide

By JOHN M. ALDEN, Marketing Vice President Coffee Instants, Inc.

Soluble coffee is the miracle beverage of the American diet. In the past generation, during the past decade, no beverage has made more spectacular usage and consumption gains across the continent in every geographical area, among all income and cultural groups of America.

This wasn't happenstance. It wasn't especially because of the many millions of dollars spent annually by brand advertisers. It wasn't purely the result of high coffee prices. It was the reflection of a consumer attitude!

The homemaker is constantly searching out quality foods, attractively packaged and priced, offering built-in "maid service," time-saving convenience items, simple to prepare with adequacy in result.

It is natural for a coffee-drinking nation to turn to coffee that is quicker and simpler to prepare, where skill or potluck bows to speed and a satisfactory cup of coffee every time.

The record is clear. Grind coffee sales are aggressively seeking to maintain the plateau of sales now enjoyed, whereas instant coffee sales continue to hit higher peaks, with the summit still not in sight.

And so the roaster who seeks "to stay in his cups" must join the parade. It's the clearly defined course of action to protect from shrinking the name franchise he has built over the years on regular coffee. It's the way to increase total dollar sales and profit dollars.

There is no shortcut for a roaster to successfully introduce an instant coffee under his label. There are many pitfalls he can avoid.

Once the decision is made to roll out the instant coffee jars to market under the roaster's label, problems loom up. The only self-answering questions in most cases, is what the brand name will be and what the package design should look like.

The first problems are: What kind of a product to put into the jar. How to price it. Forecasting initial sales for the first year or six months. And the problems of production. At that point, many roasters are prone to "ostrichize" and convince themselves that the instant coffee business is only a short-lived boom and people will soon enough reaize there's nothing like a fresh-brewed coffee for a good cup of coffee. But . . . that's one product conviction that 60% of the American households do not have.

So the hardier prototype decides now is the time to launch that instant. Build a plant? Sure takes a big stake for capital investment. Where to get the engineering know-how? Assume we can finance a plant, we can get the engineering know-how. Who runs it? That's another problem. And that's a tough one, because in any new industry that mushrooms within a few years with gigantic strides, there is a shortage of technological specialists. And it is so true on instant coffee production. The manpower pool of top technicians available—or unavailable—is a small one—yes,

smaller than the group of technicians in the guided missile field.

And even though the capital is available for building a plant and the engineering group and technicians to run it are available, there are two big, big, factors still to be resolved.

How long after the plant is set up will it take to produce the desired end product, efficiently and economically?

In recent years, and currently, instant coffee plants have been constructed and were still not able to produce a satisfactory product for market, not even on pilot production runs. And even trial production runs are costly.

Now, assuming all these fundamental obstacles are over-



The Donovan Coffee Co., Birmingham, has introduced this machine-packed multiple carton for two five-ounce jars of Red Diamond Instant Coffee. The "Cluster-Pak" carton, in three colors, was designed and manufactured by the Atlanta Paper Co.

come, easily, quickly and inexpensively . . . now for breaking the sound barrier that takes you way out into outer space: "What share of the market can your brand grab up during the first year?"

Any kind of an efficient plant operation requires a minimum of about half a million case sales per annum. At this point, most roasters know that their natural marketing areas will not absorb that kind of tonnage from a zero start.

That's why it is good business for every roaster—having made the decision to market his own brand of instant coffee—to establish a source of supply with a prime processor of instant coffees, specializing in and serving private label customers.

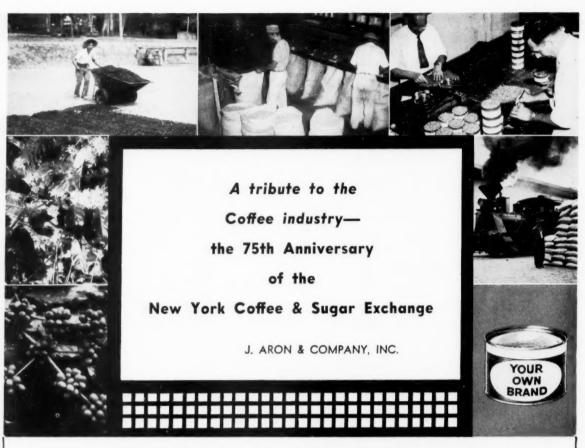
Again problems beset the roaster. Too many roasters who have jumped into private label instant coffee offerings have made the serious mistake of distributing poor quality solubles, at a low price. And their brands have died on the retailers' shelves. As in all commodity fields, packers offer variances in prices. And the prices usually reflect comparative qualities. Especially in the instant coffee field. (Continued on page 57)

Our congratulations
to the
New York Coffee & Sugar Exchange
on the
occasion of its
75th Anniversary.

Best wishes for continued success in your outstanding service to the trade.

Instituto Cubano de Estabilizacion del Cafe

Box 2130 Havana, Cuba



J. ARON & COMPANY, INC.

Coffee Importers

GREEN COFFEES FROM ALL OVER THE WORLD



NEW ORLEANS



NEW YORK



SAN PRANCISCO

NEW YORK 91 Wall Street

SAN FRANCISCO 242 California Street Direct Representation

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336 Magazine Street

CHICAGO

404 No. Wells Street

Offices of Representatives in Coffee Producing Countries all over the World.

75th Anniversary

New York Coffee & Sugar Exchange, Inc.

A Coffee & Tea Industries "fact reference" section

75 years of futures

March 7th 1882, gave to coffee — and later sugar — machinery for orderly marketing; it closed an era of vulnerability to chaos topped by grim 1880, the "year of great coffee failures."

Seventy-five years is a big piece of time. It's a life span, and more, for people. It's a big span, too, for an industry—especially coffee.

In our industry, those years reach back to the edges of

We have problems in coffee today, as we do most any time one way or another. But in 1880 the coffee trade did not just run into difficulties. It collided with disaster.

High prices in 1870 had sparked new plantings by growers in Brazil, Mexico and Central America. By 1880 supplies, relative to demand, were mountanious. Prices tumbled—and 1880 became "the year of great coffee failures."

"During my business life in lower Wall Street," wrote Abram Wakeman of that year, "there have been but few sad periods. But perhaps the greatest was the fall of firms that had taken generations to build into monuments of stability yesterday, crumpled into dust today, none knowing who was to follow or where the end was."

The catastrophe had an aftermath. It stirred far-sighted coffee men to make measures.

On March 7th, 1882, the New York Coffee Exchange-

later expanded and renamed the New York Coffee & Sugar Exchange, Inc.—was opened.

That date was historic for coffee.

It marked the first organized coffee futures market in the world. Above all, it put into the hands of the trade the machinery to avoid new "years of great coffee failures."

In the wake of 1880, fixed ideas on ways of doing business were broken. Forward-looking coffee merchants began asking questions.

The New York Cotton Exchange and the Chicago Board of Trade were already in existence. They were demonstrating successfully that futures trading on commodity exchanges could move large crops with a minimum of risk to growers, merchants, processors and consumers.

If exchanges acted as stabilizers for domestic products, why not for imported coffee?

The question was argued among coffee men, and then began to crystallize. Toward the end of 1881, on December 7th—a date which was to take on a new significance 60 years later, at Pearl Harbor—12 men incorporated the New York Coffee Exchange.

These incorporators were William Sorley, John S. Wright,

Best wishes to the New York Coffee & Sugar Exchange, Inc. on the occasion of its 75th Anniversary.

C.A. MACKEY & CO., INC.

NEW YORK, N. Y.

NEW ORLEANS, LA.

Port Au Prince, Haiti Ciudad Trujillo, Dominican Republic



This summer the Exchange will move into its sleek new air-conditioned home, now being completed at 79 Pine Street, New York City.

New home - and old ones - for Exchange

This summer, in its 75th anniversary year, the New York Coffee & Sugar Exchange plans to move into a modern, air-conditioned building now being constructed at 79 Pine Street.

The first quarters of the Exchange were temporary rooms at 135 Pearl Street. That's where it was opened on March 7th, 1882.

Progress and pressure for more space continued. On May 1st. 1895, the Exchange moved into a new building it had constructed at 113 Pearl Street.

Now, 62 years later, comes the move to the sleek building now being readied on Pine Street, between Pearl and Water Streets.



On May 1st, 1895, the Exchange began operations at what was then new headquarters, the building at 113 Pearl Street, New York City.

75th Anniversary

Joseph A. O'Brien, A. Kirkland, H. Clay Maddox, C. Mc-Culloch Beecher, Benjamin G. Arnold, George W. Flanders, Francis B. Arnold, William D. Macky and John R. McNulty.

The first meeting of the new Exchange came three days later, at the offices of Benjamin Arnold, 166 Pearl Street. John Wright chaired that organizing meeting, and Francis Arnold was secretary. Benjamin Arnold, then one of the leading coffee merchants in the United States, was elected the first president.

On February 27th, 1882, the Exchange adopted by-laws. Those were busy months. The fledging futures market needed membership, quarters, facilities.

Within a short time, but with some difficulty, 112 members were enrolled at \$250 each. Three large rooms were leased in the building at the corner of Beaver and Pearl Streets, but the rooms would not be available until May 1st. It was decided not to wait. Temporary quarters were located at 135 Pearl Street.

On March 7th, 1882, most of the members gathered at the temporary headquarters. President Arnold came forward, called for order, and formally declared the Exchange open for business.

He said he believed the coffee trade was capable of great development, and explained that arrangements were underway to establish direct telegraph service from Brazil, Europe and home markets. In the meantime, he added, leading importers had promised to furnish telegraph information daily.

Then F. N. Saunders, general manager, opened the first "call." He said that for the present calls would be limited to "Rio, strictly good ordinary." There were some bids at that historic first call, but no sales. Later, the first sale was made by William Scott & Sons to Small, Brothers & Co., 250 bags for May delivery—at $81/4 e^t$!

The first meeting of the governing committee was not held until April 10th. There was some trouble arranging space for the board room.

Alexander Kirkland and W. J. Peck were the first classification committee. They received \$40 a month for their services.

On June 6th of that first year the Exchange inaugurated one of its services, the daily market report. That service has been continued down through the years, with improvement and expansion as time went on.

On July 21st the first official graders were named: James Scott, W. J. Peck, Alexander Kirkland, W. H. Kirkland, John R. McNulty, Thomas Miniford, Jr., and William Thompson. At that time only brokers were eligible to be graders.

It was with much difficulty that the Exchange succeeded in having ticker service installed. They had to guarantee subscriptions to 20 tickers at \$20 a month within one mile of the Exchange.

The first message over the ticker was sent about May 1st, 1883. The service helped to convince doubting Thomases that the new coffee futures market was a real exchange, and would be successful.

The first months of the Exchange weren't easy ones. From the opening day on March 7th to the end of 1882 the volume of trading was only 413,750 bags.

But this sluggishness soon disappeared.

By the time the first birthday of the Exchange rolled

75th Anniversary congratulations to the

New York Coffee & Sugar Exchange.

We look forward to many more years of continued outstanding service to the trade.

Instituto Cubano de Estabilizacion del Azucar Agramonte No. 465

Havana, Cuba

75th Anniversary - New York Coffee & Sugar Exchange

around, nearly 100 representative firms in New York and elsewhere had purchased memberships at \$500 each. Later, an attitional 100 companies paid \$1,000 for the privilege.

From the start, the Exchange made effective action felt in trading practices, correcting many existing evils through the establishment of well-organized marketing procedures and well-defined regulations.

The first few years of the Exchange were enough to demonstrate its future possibilities, and a decision was soon arrived at to go onto a more permanent basis.

By a special act of the New York State Legislature, a charter was granted on June 2nd, 1885, and a corporation created with the name, "The Coffee Exchange of the City of New York." On September 2nd that year, the governing committee voted the New York Coffee Exchange out of existence and transferred its property to the new corporation.

As the Exchange progressed and its services increased, the need for larger quarters became pressing. On May 1st, 1889, the Exchange moved to 51-53 Beaver Street. But not for long. Some members felt the Exchange should have its own building, which it would own outright. The idea finally won out.

Plans were crystallized, and construction began at the 113 Pearl Street site. The building was completed in the spring of 1895, and on May 1st the Exchange moved into its new home.

Now, in 1957, its 75th anniversary year, the Exchange is

Some Exchange members have held seats since turn of the century

Several members of the New York Coffee & Sugar Exchange, Inc., have held that privilege for more than half a century.

The longest membership is Leon Israel's, of Leon Israel & Bros., New York City, who was admitted on March 27th, 1901.

J. Aron, of J. Aron & Co., New York City, has been a member since May 19th, 1902.

Other members since 1920, or longer, and the dates they were admitted, are:

William H. Bennett, Wm. Hosmer Bennett & Son. New York City, April 4th, 1907.

Jerome Lewine, H. Hentz & Co., December 14, 1911. David E. Fromm, New York City, January 26th, 1912. C. H. Diddendorf, New York City, March 7th, 1912.

E. A. Stumpp, New York City, June 4th, 1913. Luis G. Mendoza, Luis Mendoza & Co., Havana, Cuba, May 15th, 1915.

George G. Westfeldt, Westfeldt Bros., New Orleans, March 24th, 1916.

Walter D. Stuart, W. D. Stuart & Co., New York City, October 5th, 1917.

James F. McDonnell, McDonnell & Co., New York City, February 8th, 1918.

S. A. Schonbrunn, S. A. Schonbrunn & Co., New York City, January 11th, 1919.

Chandler A. Mackey, C. A. Mackey & Co., March 1st, 1920.

Diamond jubilee dinner marks 75th anniversary of Exchange

As this issue goes to press, some 800 people are marking the 75th anniversary of the New York Coffee & Sugar Exchange at a diamond jubilee reception and dinner in the grand ballroom of the Waldorf-Astoria, New York City.

The principal speaker was Senator Homer E. Capebart, of Indiana. Other guests included the ambassadors of the principal coffee and sugar producing countries of the world.

The dinner opened the year-long celebration by the Exchange of its 75th anniversary.

Chairman of the Exchange's diamond jubilee anniversary committee is Frederick H. Silence, of Ruffner. McDowell & Burch, Inc.

going to move again, into a new building at 79 Pine Street, where every up-to-the-minute facility will be available.

At this writing construction is going ahead rapidly on the modern, air-conditioned building, which will occupy the block front on Pine Street between Pearl and Water Streets.

In December, 1914, the scope of the Exchange was enlarged to include raw sugar. This action came as a result of World War I and the closing of the Hamburg and London exchanges in August, 1914. To fit the new situation, the name was changed on October 1st, 1916, to what it now is: the New York Coffee & Sugar Exchange, Inc.

In 1916, members of the Exchange also approved plans for the formation of the New York Coffee & Sugar Clearing Association, Inc., to take over the clearing functions for the Exchange. This association began to function in June, 1917

With the entry of the United States into World War I, new problems arose. At the request of Food Administrator Herbert Hoover, trading in sugar was suspended on the Exchange from August 16th, 1917, to February 16th, 1920. Trading in coffee was suspended for a short period only, late in 1918.

In 1937, the Exchange extended the facilities of its coffee grading and classification department to non-members, a positive contribution to the coffee field.

In the fall of 1946, with World War II over, coffee moved out of its reconversion period.

On October 17th, OPA Administrator Paul A. Porter announced that he was lifting price controls on coffee. The board of managers of the Exchange moved swiftly to resume trading in coffee future:—and on Monday, October 21st, at 10:30 a.m., more than 200 coffee men and members of commission houses gathered at the Exchange for the reopening.

Exchange President Chandler A. Mackey, of C. A. Mackey & Co., took gavel in hand and declared: "The coffee industry of the United States is now in the hands of coffee men The charter of the New York Coffee & Sugar Exchange, Inc., states that one of its purposes is to provide a market place for the purchase and sale of coffee. When you hear

We Congratulate The New York Coffee and Sugar Exchange, Inc. on its 75^{th} Anniversary

We compliment the present and past officers and Board of Managers upon their contribution to the long and honorable history of the Exchange.

Ruffner, McDowell & Burch, Inc.

ESTABLISHED 1896

NEW YORK: 98 Front Street SAN FRANCISCO: 214 Front Street CHICAGO: 408 W. Grand Ave. NEW ORLEANS: 419 Gravier St.

75th Anniversary - New York Coffee & Sugar Exchange

Exchange officers today

This year, the 75th since the founding of the New York Coffee & Sugar Exchange, Inc., the officers and board of managers are:

Leon Israel, Jr., Leon Israel & Bros., president: Charles S. Lowry, Lowry & Co., vice president: G. W. Knauth, National Sugar Refining Co., treasurer.

On the board of managers are: Charles Leister, Charles J. Meono, Emmet Whitlock, J. M. Clark, Charles Slover, Malcolm Forbes, Reed Clark, Jack R. Aron, Frank E. Hodson, Gustavo Lobo, Jr., C. S. Mackey, Gustav Wedell.

the sound of this gavel, the Exchange will once again be serving the coffee industry."

The board of managers had announced earlier that trading would be started in Contract "A" (Basis 4) and Contract "D" (described Santos No. 4 contract), beginning with the December 1946, delivery.

In the postwar period, 1954 became the year of greatest price turbulence for coffee. It triggered an unprecedented storm in the nation's press, and in its wake the Senate Committee on Banking and Currency set up a Special Subcommittee on Coffee Prices. Hearings were also held by the Federal Trade Commission on an action it filed against the Exchange. Failing to grasp the essential fact that the Exchange is a price barometer, not a price maker, some sources pinned impressions of Exchange responsibility for price movements to a proposal that the futures market be placed under control of the Commodity Exchange Authority.

But the official determinations were clear. Early in 1955 the Senate Banking and Currency Committee, after exhaustive investigation, voted against recom-

mending that the Exchange be placed under CEA control.

The Federal Trade Commission came up with a cease and

desist order disposing of its action against the Exchange, in accordance with FTC rules.

In May, 1955, two contracts were approved for the Exchange.

One was a "B" contract, covering Brazil coffees (basis Santos No. 4, strictly soft, fair to good roast, solid bean).

The second was a new contract, "M," for mild coffees. This covered the principal Colombian coffees and the three prominent Central American coffees—Mexicans, Salvadors and Guatemalas.

That year, 1955, saw the highest volume in 42 years of trading. The total was 67,304 contracts of 250 bags each—or 16,826,000 bags, of which 15,825,750 bags were Brazilian contracts.

Baltimore's Coffee Exchange

For a while after the establishment of the New York Coffee Exchange in 1882, Baltimore, Md., also had an exchange.

But the Baltimore Coffee Exchange immediately became dependent on New York for information, both foreign and domestic, and after a struggle to exist, it was abandoned.

But activity in the "M" contract soon increased substantially.

The first full year of trading under the mild contract saw 5,533,500 bags traded, while volume in Brazils amounted to 9,460,250 bags.

In its 75th annual report early this year, the Exchange boards of managers said the "M" contract had "proved a successful medium for all in the industry."

During 1956 the volume of coffee trading continued to be substantial, although somewhat less than the record total the year before. The 1956 total was 59,975 contracts.

"The feature of the 1956 trading was the unprecedented spread in premiums as between mild and Brazil coffee," the board reported. "The eagerness on the part of the world for washed mild coffees during the year of subnormal supplies in the producing countries was reflected in the 'M' contract. The bumper Brazilian crop tended to maintain a more stable price movement in the 'B' contract."

Activity in sugar showed an increase last year over 1955, and in the latter part of 1956 the volume was especially heavy.

Prices of Exchange seats

During the 75 years of its existence, the New York Coffee & Sugar Exchange has seen the price of its membership go through many ups and downs.

The high was in 1929, when a membership sold for \$31,000.

The low was \$350, recorded on September 9th, 1942, just before the Exchange closed for World War II.

Since then prices have moved upwards. The most recent sale, at this writing, was \$5,250.

"Trading in coffee and sugar have complemented one another to a marked degree in recent years," the board noted. "The increase in sugar volume in 1956 more than compensated for the decrease in coffee volume."

Activity in sugar has continued heavy in the opening months of 1957.

At present the Exchange has 344 memberships, just six short of its limit of 350. These memberships represent all segments of the coffee and sugar trades: growers, merchants, roasters, refiners, brokers, distributors and manufacturers of finished products.

Administration of the Exchange is vested in the board of managers, working primarily through some 20 committees.

Of particular importance are the rigid self-policing protective provisions of the by-Laws, which benefit everybody, including non-members. These include margin requirements; limitations on daily price fluctuations; rigid grading procedures under which licensed, neutral third parties grade coffee and test sugar without knowledge of the identity of the parties to the contracts; and procedures for the settlement of disputes arising out of any contract.

With a long look back across its 75 years, we can put into better perspective the achievements of the New York Coffee & Sugar Exchange, Inc.

(Continued on page 41)

75th Anniversary

greetings

to the

New York Coffee & Sugar Exchange.

Good Wishes

for

continued success.

cro

Philippine Sugar Association

Ayala Building

P.O. Box 2285

Manila, P.I.

how the Exchange serves importers

By J. M. CLARK, Vice President Anderson, Clayton & Co., Inc.

The New York Coffee & Sugar Exchange, which is celebrating its 75th anniversary this year, continues to serve all parts of the coffee and sugar trade.

The Exchange provides a very necessary service for all conservative green coffee merchants or importers.

Green coffee importing is a demonstration of merchandising economy and stability which must be inexplicable to those not familiar with the way this business is conducted. Green coffee prices may fluctuate 5% or 10% within a few weeks, and even a greater percentage during a season. This would seem to indicate that successful merchants or importers would have to base



their operations on a prospective price margin of a net 10% or more of sale price to avoid heavy losses due to price fluctuations. If such were the case, these merchants would enjoy very large profits in years of relatively stable prices and small profits or even losses in periods of widely fluctuating prices. Such is usually not the case, as most merchants operate on a nominal percent of sale price and depend upon constant turnover to provide them with a relatively stable net profit.

To operate with a nominal profit margin, they must have some means of protecting themselves against the large price risks inherent in merchandising coffee, since a fluctuation of 5% to 10% might easily wipe out their operating capital.

It is estimated that the merchant-importers handle from one-third to one-half of the green coffee imported into the United States. The balance is imported directly by the roasters. This might not sound very important in these days of multi-million dollar figures, yet green coffee is the largest single product imported by the U.S.A. In 1956 this country's green coffee imports were valued at approximately \$1,750,000,000.

The coffees imported come from South America, Central America, Mexico, the Carribean Islands, Hawaii, Africa, Asia and Oceania. Not a single pound of green coffee is produced within continental United States. Dollars paid to these countries for coffee are used by them to purchase from the United States a wide range of items.

Low cost efficient merchandising of green coffee by American importers contributes to our world trade and helps to provide coffee lovers a fine cup of coffee at a reasonable cost. The importation of coffee purchased throughout the world is subject to all manner of risks, such as weather conditions in many different countries and climates, political changes and upheavals, exchange fluctuations, transportation difficulties, etc.

Such low cost merchandising is made possible by the fact that merchant-importers may eliminate a portion of their risk by hedging all or part of their holdings and commitments on the New York Coffee & Sugar Exchange.

The basic principal of hedging is to maintain, as nearly as possible, an even position as regards the market—that is, selling futures against unsold actual coffee purchased in producing countries or buying futures against the sale of actual coffee for future delivery.

The Exchange does not offer a contract which permits the delivery of every growth of coffee produced in the world or consumed by the United States. To do so would require several contracts providing for approximately 50 different growths with varying discounts or premiums in relation to the more widely used basic growths and grades. If such contracts were provided, the very purpose for which they were intended would be defeated, since no one buying or selling such a contract would know, within reasonable limits, what type or growth of coffee was behind the contract, and therefore it would be like buying a "pig-in-a-poke".

If there were contracts providing for delivery of all growths, it might be very difficult for the importer to find a buyer or a seller for a particular contract—and for every contract that is sold there must be a buyer, and likewise for every contract that is bought there must be a seller. The function of the Exchange is to provide a market place for such transactions.

The Exchange offers two coffee contracts. One provides for delivery of Brazilian coffee, the other for delivery of coffee produced in Colombia, El Salvador, Guatemala and Mexico. These five countries furnish approximately 80% of the coffee customarily consumed by the U.S.A.

Coffees produced in other countries not deliverable under either of these two contracts can be successfully hedged because these other growths maintain certain price relationships to the basic growths. A merchant dealing in many growths of coffees must keep himself constantly aware of these price relationships and adjust his buying or selling prices as these relationships change, always relating them to one of the basic growths deliverable under one of the Exchange contracts. Hedging through the use of futures contracts does not eliminate

(Continued on page 38)

SCHAEFER KLAUSSMANN.CO., INC.

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- . 302 MAGAZINE STREET, NEW ORLEANS 12, LA.

Coffee Importers and Agents



opportunities in futures trading

This article is from "Coffee," a uniquely informative booklet issued by Merrill Lynch, Pierce, Fenner & Beane and containing what is probably the most lucid explanation available of what coffee futures are and how coffee men can use them to advantage.

The U.S. economic system is based upon private ownership. A crucial variable of this competitive system is price. Production and consumption are brought into balance largely through price. Activities are geared to price. Therefore, if the system is to function, knowledge of price must be widely disseminated. A valuable instrument for affording broad publicity to market values is the system of futures trading.

The world's outstanding coffee futures market is the New York Coffee & Sugar Exchange. One of the oldest futures markets, it was organized in 1882 and incorporated in 1885 for coffee trading only as the New York Coffee Exchange; "Sugar" was added to its name in 1916.

The years just prior to its formation were chaotic ones in the coffee trade. Attempts to corner the market were followed by violent price fluctuations, the failure of leading firms, and a general lack of confidence which sharply curtailed business. Restoration of orderly trading required, at the least, establishment of uniform procedures, dependable price quotations, standardization of grades, and a means of arbitrating differences. Another vital need was a means of hedging—a kind of "insurance" against extreme price risks. The newly established Coffee Exchange filled these basic trade needs.

Hedging

Hedging implies the protection of a position taken in actuals by the assumption of an opposite position in the futures market. In essence, it is:

1. The selling of futures against an unsold inventory of the spot or cash commodity, to offset the loss that would be sustained, if the price of the latter declined, by the gain that would be expected to accrue through a corresponding decline in the price of futures.

2. The buying of futures against a forward commitment to deliver the spot or cash commodity, or a product thereof. In this case, any loss due to a rise in the price of the raw commodity prior to its purchase might be offset by a corresponding advance in the price of futures.

The more closely the price of the spot commodity moves with the price of futures in the same or related commodity, the more perfect will the hedge be.

Futures not only provide a means of hedging for the trade. They also afford an alternative—another market in which to buy and sell. Sometimes futures will be the cheapest market, at other times the most expensive. Because of the frequency with which lower prices prevail in distant

futures contracts, often there is no more economical way to carry desired inventory. Besides, there is the added flexibility and security of a futures position.

Of course, the principal business of the trade is to deal in actuals rather than in futures. But apart from the more ordinary hedging transactions, futures can be used to any desired extent to supplement a position in actuals. As will be seen later, it is essentially the relative price relationships between futures and actuals which influence the position chosen.

Many "alternative" uses of futures readily suggest themselves. For instance, the roaster or dealer may buy futures when he thinks the price level is right and subsequently liquidate his futures when he buys actuals, or accept delivery on his futures contract. On the other hand, he may conclude a sale in futures when prices seem high, later buying his actuals when he thinks the differential is right.

Ideally, hedging would involve automatically offsetting any position in futures. In practice, however, such a program is not rigorously followed. Members of the coffee trade use their judgment as to when to hedge and how much. They may sell futures in an amount more than equivalent to their spot holdings if they expect lower prices. Or they may purchase futures in an amount greater

(Continued on page 39)

Roster of Exchange presidents

This is the roster of the men who have been presidents of the New York Coffee & Sugar Exchange, Inc., since its founding 75 years ago:

Benjamin G. Arnold, 1882-1885; Thomas T. Barr, 1885-1887; Otto Arens, 1887-1888; George W. Crossman, 1888-1889; John F. Scott, 1889-1891.

James H. Taylor, 1891-1892; Henry Hentz, 1892-1894; Charles M. Bull, 1894-1896; Henry Hentz, 1896-1898; James T. Taylor, 1898-1902.

Percy B. O'Sullivan, 1902-1911; Henry Schaefer, 1911-1913; William Bayne, Jr., 1913-1917; George W. Lawrence, 1917-1918; Stephen H. Dorr, 1918-1919.

Clarence A. Fairchild, 1919-1921; Thorleif S. B. Nielsen, 1921-1923; Edward F. Diercks, 1923-1925; Carl H. Stoffregen, 1925-1927; Leopold S. Bache, 1927-1927.

Frank C. Lowry, 1927-1930; Benjamin B. Peabody, 1930-1931; H. H. Pike, Jr., 1931-1933; William H. English, Jr., 1933-1935; Chandler A. Mackey, 1935-1941.

William W. Pinney, 1941-1942; William B. Craig, 1942-1944; Ody H. Lamborn, 1944-1946; Frederick H. Silence, 1946-1946; Chandler A. Mackey, 1946-1947. John C. Gardner, 1947-1950; Robert E. Atkinson, 1950-1952; Frederick H. Silence, 1952-1954; Gustavo Lobo, Jr., 1954-1956; Leon Israel, Jr., 1956-1957.

Congratulations

to the

New York Coffee & Sugar Exchange

on its

75th Anniversary.

Best Wishes for continued successful service to the Sugar trade.

Cuban Sugar Mill Owners Association

(Asociacion Nacional de Hacendados de Cuba)

Zulueta No. 465

Havana, Cuba

75th Anniversary - New York Coffee & Sugar Exchange

why

commodity exchanges?



By JOHN PEPION, Executive Vice President
Association of Commodity Exchange Firms, Inc.

Are you in the coffee business? If you are, the New York Coffee & Sugar Exchange plays an important and helpful role in your business, even though you might never have bought or sold a futures contract. An institution that has stayed in business for 75 years must obviously have proved its usefulness but it might be appropriate to review some of the less publicized functions of this Exchange that have a direct and indirect influence on every business connected with coffee

The basic function of the Exchange—that of providing a degree of price insurance to all those who deal in coffee, i.e. "hedging"—will be covered elsewhere in this issue. However, it has been the writer's experience that many in the trade who do not take advantage of the medium of hedging could properly do so to their profit. Many in other commodities—most grain merchants, for instance—say that they couldn't afford to operate on the margins they do and run the risk of violent price fluctuations without the protection of hedging. When a roaster, merchant or grower passes on a large degree of the price risk through the medium of an off-setting transaction on the Exchange, he is less at the mercy of sharp price changes and can better concentrate on his part in getting the product to the consumer.

But all commodity exchanges, by providing a centralized market place for the buying and selling of commodities for future delivery, serve other important economic functions in addition to that of price insurance. One of the most important and often overlooked facts is that exchanges provide equality of marketing opportunity. The smallest roaster, merchant or grower can do business in green coffee as favorably as the large ones because the prices of all transactions on the Coffee Exchange are given immediate and widespread publicity throughout the world. A coffee dealer knows at all times exactly what others are paying for coffee at the moment. He can readily figure whether or not an offer he has just received on a lot of actual green coffee is "in line."

This "price indicator" service of the Exchange, by which an exact value is continuously available during every business day, is also of value in the *financing* of coffee. Leading bankers state that they are able to loan more readily and at lower rates on commodities that are traded on a futures exchange. This is because there is less risk with hedged com-

modities and the collateral is subject to exact and constant valuation.

Coffee, as a commodity, has the important virtue of liquidity because it is traded in volume during every business day at one place on a commodity exchange. Many are standing by or watching this one focal point, ready to buy offers that seem attractive. Exchange grades of coffee are more easily negotiable because of the supervision given by the Exchange to the physical deliveries. The Exchange sets standards of qualities and grades, and inspects and certifies every lot delivered against futures contracts. Because of this, the negotiable warehouse receipts on such coffee have a degree of liquidity and acceptance value that they would not otherwise have.

By the nature of things, the price of commodities is sensitive to many factors and coffee has its share of price movements. But the *price is kept more stable* because of the existence of the Coffee Exchange. A volume of trading in one central market will absorb temporary factors which otherwise might upset a less organized market.

The function of the Clearing House, associated with the Coffee Exchange, permits business in futures contracts to be done with absolute safety. A prompt and full settlement is made on every contract upon completion, even though one of the original parties to the trade might have become bankrupt. Such surety is achieved because as soon as one broker has sold and another bought a futures contract, each turns the transaction and a guaranteeing deposit over to the Clearing House, which assures fulfillment of the contract.

A final but important service of the Coffee Exchange is the assurance of fair dealing for all those who trade in coffee futures. Every detail of doing business on this Exchange is strictly regulated in the public interest. A rule book of about 300 pages is available to everyone.

The traders and those who use the coffee futures as a valuable tool in their business are fortunate to have such a free market as exists in coffee. Some of the other commodities are greatly hampered by government control: direct government intervention in the spot markets of this country, price control through a government loan program and the government ownership and storage of huge surpluses which discourage natural markets.

(Continued on page 41)

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TO THE

NEW YORK COFFEE & SUGAR EXCHANGE
ON ITS 75th ANNIVERSARY

75th Anniversary - New York Coffee & Sugar Exchange

Clearing Association marks 40th year

By J. A. S. DUNN, Secretary-Treasurer New York Coffee & Sugar Clearing Association, Inc.

The New York Coffee & Sugar Clearing Association, Inc., was incorporated under the laws of New York State on February 5th, 1917, and commenced clearing contracts on June 15th of that year. Therefore, during this year we mark our 40th year of operation.

Prior to its formation, all contracts executed on the New York Coffee & Sugar Exchange, Inc., were carried on the members' books until actually liquidated. However, when trading in raw sugar began in 1914, the volume of trading greatly increased and the members of the Exchange realized the necessity for a modern clearing system, and plans which resulted in the formation of



our Association were developed.

The Clearing Association is a corporation whose membership is limited to the members of the Exchange and was formed to settle in a more expedious manner the contracts provided to be transacted in accordance with the by-laws and rules of the Exchange.

The government of the Clearing Association and the management of its affairs are vested in a board of seven directors. The secretary-treasurer, who is neither a member of the association nor a director, has the responsibility of maintaining the utmost secrecy as to the market standing of all members and the routine work of the association. The association has an office staff of seven men, and while many concerns are beset with frequent changes in their personnel, it is interesting to note that five of them have a combined record of over 170 years service with the association.

The authorized capital stock of the association is \$2,000 divided into 100 shares of \$20 par value. Any qualified member of the Exchange who is also a stockholder of the association and whose written application is approved by our board of directors may become a clearing member by signing and depositing with the association a written agreement to abide by the by-laws and rules of the association and by depositing the sum of \$15,000 cash in our Guaranty Fund.

While our membership of 51 firms and individuals is small compared to the Exchange membership, all contracts executed on the Exchange in accordance with its by-laws and rules must be presented to the Association for clearance.

In addition to the Guaranty Fund, members are required to deposit original margin on their net and straddle interests with the association. The amount of original margin required of members may be changed at any time by the board of directors upon 24 hours notice in writing.

The Clearing Association bears the same relationship to its members as bank clearing houses do to the banks in the settlement of money accounts, and has the additional function of offsetting all contracts and allocating all transferable notices of delivery among its members.

On rare occasions failures occurred, but it is gratifying to note that, due to our financial requirements, no loss to the association has ever resulted, the deposited original margin having been more than enough to protect the association. In the event the Guaranty Fund is depleted by reason of a member defaulting, the Fund would be immediately restored by an assessment on clearing members based on their proportionate share of contracts cleared during the preceding 12 months. Our by-laws provide for the eventual return of any such assessment by funds received from an increased clearance fee.

Each member of the association is required to make a daily report showing his position with the association, also reporting all contracts made with other members on each business day. With this daily report, each member is also required to send to the association a check or draft drawn on it for the amount necessary to adjust all of his contracts to the clearing price posted each day, at the close of the market, by the association. The association is then responsible to its members for the net open position shown on their books. In the event that a member's deposited original margin becomes seriously diminished, due to market fluctuations during the day, the association

(Continued on page 34)

The men who are at the helm of the Clearing Association

These are the men who head up the New York Coffee & Sugar Clearing Association, Inc.:

Adrian C. Israel, president; Herbert G. Bell, vice president; J. A. S. Dunn, secretary-treasurer; H. S. Carney, assistant treasurer; J. F. McGowan, assistant treasurer.

The directors include Mr. Bell, Mr. Israel, M. W. Feingold, J. Ginzberg, Charles S. Lowry, William F. Prescott and Walter H. Voelbel.

F. W. EHRHARD & CO.

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Member, Green Coffee Association of New York City, Inc.

Member, National Coffee Association of U.S.A.

Est. 1856

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NEW YORK COTTON EXCHANGE BLDG.

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THE NEW YORK COFFEE & SUGAR EXCHANGE, INC.

on the Occasion of its

Seventy-Fifth Anniversary

75th Anniversary - New York Coffee & Sugar Exchange

Le Havre's option market

By JACQUES LOUIS-DELAMARE, Le Havre France

On the 6th of November, 1882, the "Caisse de Liquidation" (Clearing Organization) was created in Le Havre to regularize the coffee option business, which had been in operation since 1876.

The first edition of the rules and regulations of the option

market was published on August 25th, 1883.

The basis of the market was "Santos Good Average" and the contract was 500

Bags.

The date of August 25th, 1883, can be considered as the official creation of the option market in Le Havre, so that our market is the junior of the New York Coffee & Sugar Exchange—to which we are happy to take



off our hat on the occasion of its 75th anniversary.

Our market made considerable progress, and the daily transactions were sometimes as important—or even more important—than the transactions on the New York Coffee & Sugar Exchange.

The Havre Market rapidly became a great international market, and until 1939 remained in first place on the Continent. Straddles with the New York market and the European

markets were frequent and important.

Naturally, the stability of French currency before 1914 made easy these operations; they started again in 1919, after the war, but on a much smaller scale, owing to the risks of

fluctuations in exchange.

During the first period (1883-1914) our market was essentially impressed by the positions of coffee: crops, supplies, demand, etc. France was, in these happy times, the third coffee importer in the world, with an annual consumption of approximately 2,000,000 bags; Le Havre was one of the most important coffee ports in Europe, and Le Havre stocks sometimes reached more than 3,000,000 bags.

The first World War closed the market on August 1st, 1914, and the market reopened on March 20th, 1918, but with a ceiling price of Frs. 100.-per 50 kilos.

The market really started again with indispensable liberty on June 23rd, 1919.

Immediately the Le Havre market again took its place as an international market. France took second place among the world's consumers with nearly 3,000,000 bags, the larger part being Brazilian coffees. The Port of Le Havre was the most important port in Europe for coffee business, with stocks of 600,000 to 1,000,000 Bags.

In 1926, a new regulation of the market brought the contract to 250 bags. In these years, the market had to face the difficult problems of exchange fluctuations and the devaluations. However, the Havre Option Market was of great help to the French coffee trade, and in 1926 coffees from Haiti, Colombia, Venezuela, Honduras, El Salvador, Nicaragua could be delivered as notices. In 1928, coffees from the state of Parana were also admitted.

In these years, production of Robustas in Africa was progressing rapidly, and in 1937 a new contract was created in Le Havre for coffees from the French colonies, but activity in it was of small importance.

On September 2nd, 1939, on account of the second World War, the Le Havre option market was closed and all the pending contracts were liquidated on the basis of the quotations of September 2nd.

On that fatal day, the liberty of the coffee trade was practically annihilated, and our country sank into the night of occupation, while 75% of our city and our port were destroyed.

During that distressing period, consumption of coffee was severely rationed, and it was the golden age for coffee substitutes. It was also the beginning of the reign of His Majesty "Fonctionnaire" and the flowering of red tape.

Rationing of coffee was maintained after the war, and only in 1950 could we breathe the first little breeze of freedom.

Coffee trends

During these ten years of interruption, French territories in Africa developed their production considerably, and Robusta took first place in the French consumption, to the detriment of Brazil.

The Le Havre coffee trade struggled to adapt its methods to the new conditions of the market, and the president of the Green Coffee Federation in France, A. J. Arioux, started to sail against wind and tide in a real crusade for the reopening of the Le Havre option market.

In April, 1951, the reopening of the market was theoretically authorized, but it was only on November 15th, 1954, in a temporary building (the Le Havre Exchange building having been destroyed in 1944) that the Le Havre option market officially started its new activity.

It would take too long to give all the rules and regulations of the option market. Let us say that the basis is "Robusta Courant"—120 defects per 300 grams; all the coffees of the French overseas territories can be delivered, some with premiums. "Foreign" coffees are also admitted: Robustas of Angola, Uganda, Belgian Congo and Indonesia,

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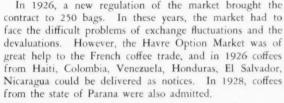
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Best Wishes

to the

New York Coffee & Sugar Exchange, Inc.

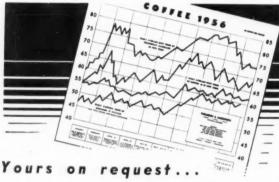
on the

75th Anniversary

of its founding

T. Barbour Brown & Co., Inc.

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COFFEE CHART

This handy chart, in three colors, shows daily average spot price of Colombian Manizales, daily closing price of "M" futures, daily average spot price of Santos and daily closing price of December "S" futures on the New York Coffee and Sugar Exchange. Also includes a month-by-month review of the market for the past year.

Write for this chart and our Daily Commodity Letter

THOMSON & McKINNON

BROKERS IN SECURITIES AND COMMODITIES
11 Wall Street, New York

46 offices in the United States and Canada

Members New York Coffee and Sugar Exchange and other leading commodity exchanges and Arabicas from Brazil also, with different premiums or penalties.

The grading is as follows, per 300 Grams:

Limite—240 Defects allowance 5 francs per Kilo
Courant—120 Defects Basis

Supericur—60 Defects
Prima—30 Defects
Premium 5 francs per Kilo
premium 10 francs per Kilo

Extra-Prima—15 Defects premium 13 francs per Kilo At the "calls," the fluctuation minimum is one franc.

The deposit is of 100,000 francs.

At the reopening of the market, in 1954, the quotations were established at 380 francs; they went down during 1955 to 265 francs and are now fluctuating around 300 francs.

The French coffee trade is now facing a production more and more important in Africa. To "defend" the prices, the French government has taken different measures:

1. Custom duties of 20% on "foreign" coffees.

2. Limitation of qualities of imports from Brazil to avoid competition with Robusta coffee. No coffee below New York 6 can be imported.

3. Creation in Ivory Coast and in different African territories of a "Caisse de Stabilisation." The mission of the "Caisse" is to avoid, by keeping in stocks for account of the African exporters, a certain amount of coffee if there is too strong pressure when the arrivals of coffees at the port are in full swing.

It is needless to say that these measures, inspired by the most classical state socialism, do not favor the natural development of our option market.

However we can hope for an improvement in the future

and more activity on our market.

French robustas are more and more known in the coffee world, and are also appreciated at their real value, chiefly in the United States. It is possible that in the near future, our American friends will take some position on our market, based on the Robustas. Already some foreign operators have been working with success and profit on the Le Havre option market.

On the other hand, a large part of Le Havre's coffee merchants and brokers are in favor of the creation of a

Santos contract. France is the second importer of Brazilian coffees, after Germany, and a Brazilian contract would be more directly inspired by the real positions of coffee in the world. If such a market was opened some straddles between the Le Havre and New York markets could be interesting.

In any case, we send our heartiest greetings to the New York Coffee & Sugar Exchange on the occasion of its 75th anniversary. We wish to our senior Exchange long life and prosperity.

We hope that the great American market will develop favorably its activity under the indispensable sun of liberty.

Clearing Association marks 40th year

(Continued from page 31)

promptly calls him for variation margin which must be deposited with the association in the form of a certified check not later than one hour after the call is served.

In operation, the association takes the position of buyer to each seller and seller to each buyer on all contracts cleared. The position of the association is therefore always even, and enables it to offset the long and short positions of its members, and in consequence, settle with each member daily on his net clearing house position.

the Amsterdam-Rotterdam exchanges

This article, on the Amsterdam and Rotterdam Coffee Exchanges, was prepared especially for this issue of COFFEE & TEA INDUSTRIES by the leaders of the Dutch coffee market. The presidents of the Amsterdam and Rotterdam Vereeniging voor den Koffiehandel coordinated on the article for this purpose.

On the occasion of the 75th anniversary of the New York Coffee & Sugar Exchange, we deem it a privilege to write a few lines on the history and development of the Amsterdam and Rotterdam Coffee Exchanges.

Trading in futures in Rotterdam officially began in May, 1888, or nearly 69 years ago, and in Amsterdam during September, 1889. In other words, both our Exchanges are by about six years the junior of the New York Coffee & Sugar Exchange.

By the second half of the 19th Century the Netherlands had become one of the most important coffee markets in Europe. While originally most of the coffee shipped to Holland came from Java, by the end of the century huge quantities of Brazil coffees entered the port of Rotterdam.

In those days the population of Holland amounted to approximately 5,000,000 people, and consequently only a small percentage of the coffee arrivals remained inside the country; in fact, by far the bulk was resold to other destin-

ations, and in this way Holland developed into a very important transit-market.

Under the circumstances, prospects for the development in 1888 of a Coffee Exchange were most promising, the more so as at the time when there were practically no restrictions as regards foreign exchange, prohibitive import duties and the like. No wonder that coffee futures trading in Holland developed quickly and amounted—in the years prior to 1914, when World War I began—to a combined yearly turnover of 3,000,000 to 4,000,000 bags.

After the outbreak of World War I in 1914 arrivals of Santos and other Brazilian coffees were severely restricted, so that by 1917 it was found necessary to put a stop to trading in futures. The same happened in other European terminal markets—Le Havre, Hamburg, Antwerp and London.

World War I ended in 1918, and within a year, i.e., in August, 1919, the re-opening of the Amsterdam and Rotterdam Coffee Exchanges proved possible. Business was reinstated on the basis of a Robusta contract, followed in 1921 by a Santos contract. In fact, within three years after the end of hostilities, the trade proved to be in a position again to import and handle coffee on a big scale.

The consequences and economic disturbances of World War II have been of a very different character. On May

BRAZILS SANTOS PARANAGUA RIO DE JANEIRO ANGRA CENTRAL AMERICANS GUATEMALA SALVADOR NICARAGUA COSTA RICA COLOMBIANS MEDELLIN ARMENIA MANIZALES GIRARDOT LIBANO TOLIMA ECUADORS UNWASHED WASHED W. R. GRACE & CO.

Congratulations

to the

New York Coffee & Sugar Exchange

on its

75th Anniversary

Bernhard Rothfos Sandtorkai 4/5 Hamburg 11, Germany

We Offer Hearty Congratulations to

THE NEW YORK
COFFEE AND SUGAR EXCHANGE, INC.

on attaining its 75th Anniversary

GORDON W. VOELBEL CO., Inc.

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Members

New York Coffee & Sugar Exchange, Inc. Green Coffee Association of N. Y. C. National Coffee Association of U. S. A.

Exchange can extend trading to coffee securities, molasses

Some things you might not know about the New York Coffee & Sugar Exchange, Inc. . . .

The Exchange can extend its trading to take in stocks and securities of corporations producing, treating or dealing in coffee and similar articles.

A Certificate of Extension of Purpose establishing this was filed on January 28th, 1929. But no attempt has been made to inaugurate such trading.

On February 2nd, 1931, futures trading was inaugurated in cane blackstrap molasses, a sugar by-product used in the manufacture of industrial alcohol and food for cattle

Trading in molasses was negligible, and is now inactive.

10th, 1940, the Netherlands was invaded by Germany, and this meant the abrupt end of business on the Amsterdam and Rotterdam Coffee Exchanges. It took 15 years before the Exchanges found themselves in a position to reopen.

This clearly illustrates the tremendous influence the second World War brought to bear on the economic and financial structure of various European countries. Government interference, together with a lack of foreign exchange and the consequent impossibility of the re-establishment of convertibility, meant a great handicap to business in general and to futures in particular.

On May 9th, 1955, the Coffee Exchanges in Amsterdam and in Rotterdam were officially re-opened, and on that occasion modest celebrations took place in both cities.

The present regulations provide for a so-called "mixed contract." Basis of the contract is a Santos Superior, good bean, good to fine roast, strictly soft, cup-tested, flat, solid bean

Parana coffee is also deliverable, but at a discount and provided the quality is found suitable. In addition, Colombia Excelso is deliverable and also several types of Central American washed coffees. These washed coffees, if delivered, do not fetch a premium.

Since the re-opening of the Exchanges, business has remained on a modest scale. This is not surprising, taking into consideration that there are still too many restrictions that stand in the way of normal functioning of our Coffee Exchanges

To our mind a vast extension of the futures business is not to be expected in the near future. Nevertheless, we are glad to think that our markets are functioning again, and we are optimistic enough to hope that gradually conditions and possibilities may improve.

In this connection, we may mention the serious negotiations being held in order to arrive at a system of European integration, whereby many restrictions that now stand in the way of business would be eliminated. If such European integration would become a fact, we believe it would create great possibilities for improved business on various European terminal markets.

It is clear that the importance of the New York Coffee Exchange also has become a dominating factor on the European markets, and nowadays influences our trade.

Finally, we take this opportunity to convey our heartiest congratulations to our elder sister Exchange in New York on the event of her 75th birthday.

Hamburg's coffee futures market

By DR. PATOW, Syndikus Verein der am Caffeehandel betheiligten Firmen

In March, 1886, Hamburg's coffee importers, agents, and brokers founded the Verein der am Caffeehandel betheiligten Firmen as an association to safeguard their mutual interests. Shortly after having been established, the new association started with preliminary work to open a coffee option market. About one year later, this was accomplished.

The first call at the new Coffee Exchange took place on June 11th, 1887—nearly 70 years ago.

The basis of the contract was then "good average Santos coffee". The Coffee Exchange soon gained considerable volume, reaching its peak at the turn of the century and continuing until the outbreak of the first World War.

By 1889, the turnover had already reached a figure of 9,500,000 bags, and it varied from 1890 until 1910, between 3,000,000 and 9,000,000. During the following years, turnover increased still more, and in 1913 surpassed the 15,000,000 bag mark.

Coffee destined for delivery in the option market had to be warehoused in the stores of the Hamburger Freihafen-Lagerhaus-Gesellschaft, a government-owned establishment. When the war broke out in 1914, about 1,660,-

000 bags of coffee were stored in the free port of Hamburg

A remarkable incident in the history of the Hamburg option market was the "September corner", which took place during August and September, 1888, and in a very short time pushed prices up to Mk. 1.85, until prices broke—not without great loss to its instigators—and the market receded to Mk. .54.

World War I and the subsequent inflation of the German mark completely paralyzed the country's economy and had grave effects on the coffee trade also. The option market could, therefore, not reopen until July 1st, 1925. The basis was "Superior Santos". After June 1st, 1931, this was called "Contract 2," because an additional contract "Prime Santos Coffee," Hamburger Terminkontrakt 1," was introduced.

After having, early in the 1930's, regained some of its former importance, the option market again suffered from increasing controls of all transactions in foreign exchange.

For some time only nominal quotations were issued. with the outbreak of the second Warld War, the market came to a complete standstill in September, 1939.

(Continued on page 85)

DE HOPE GOLDSCHMIDT

CORPORATION

129 FRONT STREET, NEW YORK 5, N. Y.

Members: N. Y. Coffee and Sugar Exchange; Green Coffee Ass'n of N. Y. City, Inc.; National Coffee Ass'n, of U.S.A.; Tea Association of U.S.A. (Continued from page 25)

risk, but it does reduce such risk to a minimum.

Let us take an example of how an importer might use these contracts to minimize his price risk:

We will assume that an importer buys 1,000 bags of Brazilian coffee described as Parana 4/5, strictly soft, fair to good roast, solid bean, prompt shipment from Paranagua, Brazil, at $541/4\psi$ per pound f.o.b. shipping port. In order to protect himself from a sharp price decline, the importer could sell four March B contracts (each contract prepresents 250 bags) on the New York Coffee and Sugar Exchange at, say, 59ψ .

The calculation based upon the assumptions above would work as follows:

Cost f.o.b. Brazil	54.25€
Expenses f.o.b. delivered on the Exchange	2.75
Discount applicable to coffee shipped	(1.50)
from Paranagua	
Discount for grade 4/5	(.50)
Cost delivered on the NYC&SE	59.00€

Thus, the importer has protected his purchase price from substantial decline as he can theoretically deliver this coffee against his sale of March futures at about a breakeven. However, the merchant usually has no intention of actually delivering the coffee he has purchased on the Exchange, but expects to sell it to a coffee roaster while it is afloat or after it arrives at a U.S.A. port. The

importer knows that generally the futures market and the actual market move in relation to each other, so the merchant would expect to buy back the March futures sold against his purchase at either more than or less than the price of his sale and have a compensating gain or loss from the sale of his actual coffee.

The typical transaction mentioned might work out as follows.

Assume the importer sells the 1,000 bags purchased 30 days later to a roaster at 57ψ ex-dock New York. He would then buy in the four March B contracts to liquidate his previous sale of March B—assume he pays 59ψ —the exact price at which he sold these 4 contracts 30 days earlier. The cost of buying and selling future contracts is approximately 1/4c per pound; expenses from f.o.b. Brazil to ex-dock New York are approximately 2ψ per pound; so the importer would make a profit of $1/2\psi$, or approximately 1%.

During the thirty day interval that the merchant owned the coffee purchased in Brazil, the Exchange provided him with price protection at a very nominal cost.

To illustrate further, let us take a different set of figures, assuming the market declined 2ψ per pound by the time the merchants sold the coffee. He would receive for his sale only 55ψ ex-dock New York, but could expect to buy back the four March futures at 57ψ , thus making the same nominal profit of $1/2\psi$ per pound. Had the importer not hedged his Brazilian purchase he would have suffered a loss of $1/2\psi$ per pound.

There are many variations of this basic example in-

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volving all growths and many price combinations. But except for relatively short periods of time, due to technical imbalances, the futures market will reflect and adjust to approximate parities with the market for actual coffees, thus providing a conservative merchant with a suitable hedge or price protection for his commitments and thereby provide an indispensable service to the industry.

opportunities in futures trading

(Continued from page 27)

than their forward sales of actuals, if they anticipate a price rise. The excess does not represent hedging. It is rather a consciously chosen net "long" or "short" position in futures in preference to a comparable position in actuals or no position at all.

Planters may also use futures either as a hedging medium or as an alternative to owning or selling actuals.

Hedge selling in a discount market

The most important point for the hedge seller to note is that in post World War II years distant months usually have sold at varying discounts under spots and nearby positions. If the hedger is buying coffee and is selling the distant month as a hedge, he must take this discount into consideration; for when futures contracts reach maturity, the discount will tend to disappear, i.e., the price of futures will come closer to the spot price. This will occur whether or not the coffee is delivered. If there is an attractive differential, trade interests will buy futures at the time of maturity and sell spots. They may then accept delivery on futures to cover their spot sales.

Does this mean the hedge seller must invariably lose to the extent of the discount in futures and therefore should be discouraged from hedge selling in a discount market? No, it does not. There is no necessity for the hedger to retain his position in futures until maturity. Until such time, discounts will fluctuate due to a variety of conditions. They need not narrow in relatively short periods. Assume, for example, the hedger purchases spots in April at the same time selling December futures at a discount. Let us say that he then sells his actuals in May or June and simultaneously buys back his futures. It is quite possible that discounts, in this short interval, will have moved erratically. They may have narrowed, they may have widened, or remained unchanged.

If hedge sales are placed in a distant futures when discounts are narrow (or relatively so in terms of the situation), a profit often results from variations in spreads provided the position is not retained until near maturity. Repeatedly, there have been instances where the widening of discounts has made the original hedge sale that much more desirable.

Changing spreads in futures

Obviously the hedger, whether long or short futures, is vitally concerned about variations in "spreads" between the spots and futures in which he is trading (i.e. about changes in the "basis"). That is the principal reason why "automatic" hedging cannot be the general practice of the coffee trade. The short hedger, for in-



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Best Wishes

to the

New York Coffee & Sugar Exchange, Inc.

on the

75th Anniversary of its founding

A. C. ISRAEL COMMODITY CO., INC.

95 Front Street New York 5. N. Y. stance, wants to be reasonably confident that the discount of his futures position under spots will not narrow appreciably. If he expects the discount to widen, that is an incentive to acquire actuals and hedge sell in futures. Therefore, judgment enters into the decision as to whether or not to hedge—and also whether a long hedge (if that is possible at the time)—is to be preferred to a short hedge.

Basically, any market influence which increases the risk and uncertainty involved in owning coffee tends to widen the discount of distant month futures. This is true for several reasons. For one thing, whenever the possibility of a price decline looms large, hedge selling is attracted in distant futures. Even fairly substantial discounts do not discourage such selling, because at such times hedgers are more willing to risk a loss due to changing spreads than to do without protection against major price weakness. They may select a more distant futures in order to avoid being involved in the liquidation of nearby futures in the event that the anticipated decline does not immediately materialize. At the same time, the usual buying interest which is attracted by the discounts in times of comparative stability, does not respond even to very wide discounts because of fears for the future. An illustration of this tendency for spreads to widen in coffee under the influence of a great risk of price decline was the condition of the market in November, 1954. Because of Brazilian minimum export prices, spot Santos commanded an ex-dock N. Y. price of around 70¢, while September, 1955, futures were selling in the low 50¢

On the other hand, when the price outlook is favorable and there is considered to be little risk involved in holding actuals, spreads tend to narrow. Toward the end of 1953, and in the early part of 1954, for instance, discounts of distant month futures under spots and nearbys disappeared altogether at times and futures attained small premiums over spots.

Buying the discounts

It has been pointed out that the discounts of a futures position under deliverable spots can fluctuate widely. However, at the time a contract matures, its discount must virtually disappear. The potential profit in "buying the discount" has made futures an inviting market in which to carry inventory or to seek "long-term" speculative capital gains.

From the standpoint of the trade, the fact of discounts prevailing in the back months has meant that often there is no cheaper source for covering forward requirements, particularly when discounts are wide. Not only that, but the ordinary expenses involved in carrying actuals (warehouse costs, insurance, etc.) are avoided. Moreover, one can make purchases further in advance and with no risk as to fulfillment of contract.

To the speculator or to the trade, it is basic that if one purchases distant futures at discounts under spots, over a long period of time, the total of these discounts are a profit increment regardless of how low the market goes. This can be quickly and vividly illustrated by the example of an article selling for \$1.00 for spot delivery and 90¢

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for deferred delivery. If the deferred delivery position could be transferred ten times at the same discount of 10¢, the article could become worthless but, as a result of the projected positions referred to, at 90¢ the purchaser would still not lose money on his original purchase. The profit in buying successive discounts is not the difference between the sale and the purchase price, but the sum of the discounts at which deferred deliveries are bought. In addition to the profits made by consistently buying at discounts is the profit or loss taken by comparing the initiating trade with the eventual closeout.

75 years of futures

(Continued from page 23)

That March 7th in 1882, when the Exchange began to operate, marked off into the historic past the era of coffee vulnerability to unbridled chaos.

The Exchange has helped develop a time-tested system of trading, affording maximum safeguards to all segments of the industry—and to the consuming public.

In the decades to come, if it is left unhampered as a prime example of American free enterprise, the New York Coffee & Sugar Exchange will continue to encourage expansion of coffee volume through even greater use of its facilities for proven, orderly trading.

why commodity exchanges?

(Continued from page 29)

That 14,993,750 bags of coffee were traded in on the New York Coffee & Sugar Exchange during 1956 shows that the facilities of this vital market were widely used.

It is felt that coffee futures would be used to an even greater extent, especially by roasters, if its useful functions were more fully understood.

"Coffee Queen of South America"

named at annual fair in Manizales

Senorita Analita Alfaro, 18, of Panama was named the "Coffee Queen of South America" at the third annual fair in Manizales, Colombia, in the heart of the coffee country. She was chosen from contestants from 15 countries.

Happy 75th Anniversary to the

New York Coffee & Sugar Exchange

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On the menu

Developments among public feeding outlets

Nine out of ten firms have coffee breaks, Ohio survey reveals

"Now the coffee break can be added formally to the list of accepted American institutions," U. S. News and World Report stated in a recent issue.

"This 'break,' in ten years' time, has swept through all of business. It adds from ten to 16 days to the paid time taken from work each year, supplementing paid vacations and other 'fringe' benefits."

The magazine reported that a recent survey of 600 large and small firms, conducted by the Ohio Manufacturers' Association, disclosed that nine out of ten allow their employees to take coffee breaks, and that two breaks a day are now standard. While 14% of the Ohio companies have trouble with abuses of the rest period, as it is officially called, less than 1% express outright disapproval of coffee periods. Some companies doubt that time lost is made up; but others report that a break helps efficiency and morale.

To cut down on loss of time occurring when employees go outside for refreshments, companies are going to great lengths to provide coffee and snacks near the job, the magazine reported.

Many companies—60% in Ohio alone—find the vending machine a good answer to the problem. Bigger com-

panies often operate snack bars and cafeterias for employees. Other practices include catering the coffee in or sending a single person out to bring back coffee for everybody.

More than a third of the small firms let employees keep their own coffee-making facilities in each department or office.

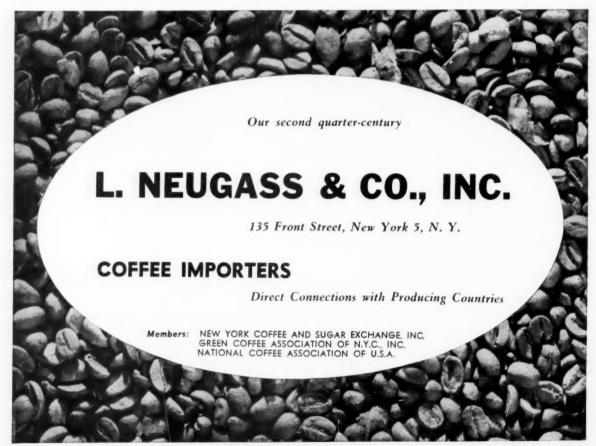
City administrators see rise in efficiency resulting from coffee break, survey reveals

City governments have taken a leaf from the notebook of business in using the coffee break as a tool to contribute to increased morale and efficiency among their employees, thereby giving better service to the public, an article in the February issue of The American City Magazine discloses.

The article is based on a recent survey conducted by the magazine among its readership, which includes a majority of the municipal officials of cities in every state of the union.

"The coffee break seems to be a symbol that an employee is not an impersonal cog in a machine but an individual who can be trusted in the performance of his work sufficiently to merit this short period of relaxation", the article states.

More than half of the city administrators, reporting in the survey, attributed a rise in employee morale to the daily coffee breaks. Somewhat more than a quarter of them felt that the reduction in employee fatigue was the most important advantage of the break. Other factors, such as increased output, greater accuracy, reduced



Next NCA convention in January, 1958

1957 will be a year without a National Coffee Association convention.

That isn't as drastic as it sounds. The next convention will be held January 13th-16th, 1958—which is only six weeks later in the season than the 1956 convention.

The site: the Boca Raton Club, Boca Raton, Fla.

absenteeism, and less employee turnover, were also reported.

Administrative control seemed to present no critical problem, and the article points out that in 52% of these cities the coffee break is not officially regulated but generally permitted. Thus the employees themselves police their actions sufficiently to prevent adverse criticism or office inefficiency.

The remaining 44% authorize the coffee break by administrative action; with 2% by city ordinance and 2% by union contracts.

United Airlines to make

fresh-brewed coffee aloft

Fresh-brewed coffee aloft is spreading among air lines. Last month we reported that machines developed by the Huggins-Young Coffee Co., Los Angeles, were being installed by Trans World Airlines on their Super-G Constellations to brew fresh coffee in flight. (See: COFFEE & TEA INDUSTRIES, February, 1957, Page 62.)

Now comes word that United Air Lines is also installing equipment in its fleet to make fresh-brewed coffee available during flight.

United's equipment is being manufactured by the Nordskog Co., Van Nuys, Calif.

King coffee realigns sales staff

Victor Forte, an assistant sales development director, has been named to fill the newly created post of assistant to the executive vice president at King Coffee, Inc., Detroit coffee roaster serving the Michigan restaurant and institutional field.

In making the announcement, Charles S. Litt, executive vice president, explained that Mr. Forte's primary responsibility will be to provide stronger administrative coverage in the outstate area. Mr. Forte has been with King Coffee since 1947.

Mr. Litt also announced that John J. Murphy and Michael A. Simon will serve as assistant sales development directors. Both were previously divisional sales supervisors.

Others named in realignment of the sales department are Morris D. Davis, sales representative, who becomes divisional sales supervisor and Richard S. Langton, sales representative, who also becomes a divisional sales supervisor.

King Coffee maintains offices and warehouse facilities in Lansing, Flint, Grand Rapids, and Saginaw.

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Represented in

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AMERICAN COFFEE CORPORATION

Puts instant coffee volume

at \$450,000,000 in 1956

United States consumers drank about 30 billion cups of soluble coffee in 1956, according to an estimate by George Gordon Paton. He further calculates that sales of instant coffee by processors totaled approximately \$450,000,000 during the year.

A total of 427,780,584 lbs. of green coffee was roasted and then converted into instant—with an output of instant of approximately 120,000,000 lbs., according to his calculations

Production of instant during 1956—based on the quantity of green coffee utilized in its manufacture—rose about 39% above the 1955 volume and was almost 58% above the processing rate of 1954, Mr. Paton estimated.

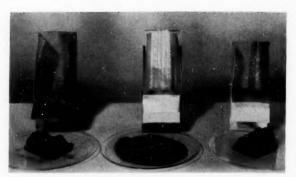
During 1956, he said, the amount of green coffee used for instant represented 16% of total roastings.

New bag for packing instant coffee

is introduced by Arkell & Smiths

Arkell & Smiths, Sanajoharie, N. Y., has announced the development of a new bag incorporating a special foil liner coated with thermo-sealing polyethylene to form an unusually effective moisture barrier.

This new A & S bag, called the "Ark-Foil", is specifi-



Soluble coffee after 35-day exposure to 100°F, temperature and 75% to 80% relative humidity. The coffee in the center, still fresh and dry, was packed in the new Ark-Foil bag, the others in different types of flexible containers, Arkell & Smiths explains.

cally designed to give maximum protection to very hygroscopic powdered products such as instant coffee.

The polyethylene-coated foil liner, in addition to preventing the entrance of moisture, permits heat sealing of the bag—both along the seam and on the bottom.

In laboratory tests conducted by the manufacturer, the Ark-Foil bag kept soluble coffee fresh and dry under extreme conditions of heat and humidity for five weeks, it was reported.

The manufacturer declared that the new bag will make the packaging of these moisture-absorbing materials more practical—from a cost and quality control standpoint—than at any time in the past.

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Million-dollar instant coffee plant

dedicated in Cincinnati by Kroger

A new million-dollar instant coffee plant has been dedicated at the Kroger manufacturing center in Cincinnati.

The plant will supply instant coffee for Kroger stores in 21 states. Capacity of the plant is presently equal to about 2,000,000 cups per day, but a company spokesman said that capacity should be doubled within a short time.

The building on State Street, had to be enlarged to make room for the instant coffee plant. The basic structure of the new housing for the plant is concrete on a steel framework.

It was reported that new equipment includes special grinders, giant "percolators" and a 78-foot stainless steel evaporating tower.

The plant will produce and package two types of instant coffee, one bearing the Kroger name and the other the Spotlight label.



George T. Herald, who has been named general sales manager of the Hampton House Instant Coffee Division of Sol Cafe Manufacturing.

Herald named manager of Hampton House Division of Sol Cafe, selling to vending machine market

George T. Herald has been named general sales manager of the Hampton House Instant Coffee Division of the Sol Cafe Manufacturing Corp., it was announced by Ernst G. Deutsch, president of the company.

Hampton House Instant Coffee is sold for vending machine, institutional and commercial distribution.

Mr. Herald is widely known in the beverage and vending machine industries.

After eight years as general sales manager at Liberty Brand Syrups, national suppliers of drink flavors to vendors, Mr. Herald joined the Cantrell & Cochrane Corp., New York City, manufacturers of the "Super" line of soft drinks in cans, as the head of the then new vending and fountain syrup departments. Under Mr. Herald's direction, a national program was initiated to sell the "Super' line through automatic can vending machines, and to distribute syrup flavors to cup vending operators and to soda fountains. Mr. Herald also set up a longrange financing plan for the purchase of Cantrell & Cochrane drink dispensers by established operators.

It is Mr. Herald's intention to have Hampton House set up a similar plan to finance the purchase of coffee vending machines by the operators.

Mr. Herald, married and the father of five daughters, lives in Yonkers, N. Y., where he, his family and his wife's family are prominent in social and civic activities of the community.



PRESSURE PACKED

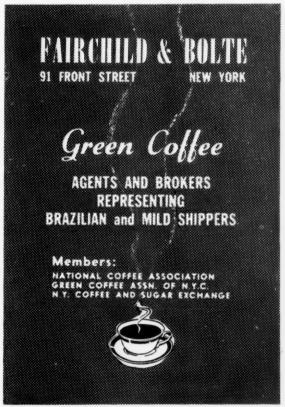
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advertising . . . merchandising . . . promotion

Step up coffee volume with "safety stop" drive, PACB urges trade

A big opportunity for coffe—hot and iced—starts Memorial Day, when American motorists will take to the roads for vacation and summer touring.

"It is not too early to begin planning your advertising, merchandising and publicity cooperation with the 'coffeestop' highway safety campaign, which also will be bigger and better than ever," Gilbert Coburn, the Pan-American Coffee Bureau's director of public relations, suggested recently in a circular to the trade. "The campaign starts May 30th and runs through Labor Day, peaking up, of course, on the major holiday weekends."

The campaign will again feature the slogan, "For Safety's Sake STOP for a Coffee Break".

Stopping every hundred miles or so for a cup of coffee is sound advice, safety experts say. Fatigue is a major cause of accidents on today's roads, especially the high-speed turnpikes. Coffee helps the driver to keep alert, revives his reflexes, and generally combats the motoring menace that has become known as "highway hypnosis."

"In addition to the public relations value of this campaign, there is another good reason to get behind it—

it can help you sell more coffee", Mr. Coburn said." If the coffee break can become as firmly established with motorists as it is among workers, it will mean more business for everyone.

"The program also presents an opportunity to develop new outlets along the highways among the hundreds of thousands of service stations. Some informal research shows that many service station owners would be interested if they can be shown a convenient way of preparing and serving coffee."

The Pan-American Coffee Bureau will again lend active support to the program through its own promotional campaign and by supplying materials to cooperating coffee companies.

Materials to be made available will include bumper strips, window stickers, drop-in-mates and sample radio-TV spot announcements.

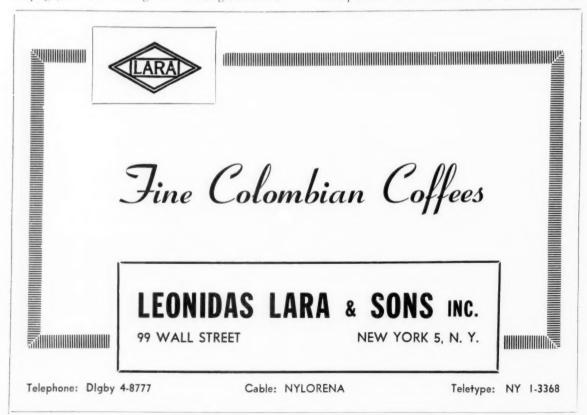
PABC opens ad campaign aimed at teenage market for coffee

As a first step toward developing the potentially large teenage market for coffee, the Pan-American Coffee Bureau is going to run full-page, four-color ads in Seventeen Magazine, starting with the April issue.

"We have chosen Seventeen Magazine for this test campaign to teenagers because its approximately 950,000 circulation has a median age of 19, and 38.2% of its readers are in the 10-17 age bracket," PACB explained.

"Needless to say, we are curious as to what reaction we will get from these teenagers, and/or their parents, to coffee advertising directed to them."

The April issue of Seventeen will feature Latin American



foods and will be chiefly a Pan-American issue. In addition to PACB advertising, Seventeen will run coffee recipes and will distribute to some 5,000 food stores and home economics teachers posters and special educational material on coffee for classroom use. Seventeen will also distribute 60,000 recipe folders for use in high school home economics classes.

In addition, Seventeen will urge teachers to contact local coffee companies to try to arrange trips through coffee roasting and processing plants for their students.

Herschel Duncan dies in fall down stairs in Houston home

Herschel M. Duncan, head of the Duncan Coffee Co., Houston, Texas, was killed last month when he fell down a stairway of his fashionable home in Houston's River Oaks area.

Mr. Duncan, 76, was believed to have suffered a broken neck and a fractured skull. He was still clad in pajamas.

Mr. Duncan came to Houston as a youth of 18 and rose to become head of one of the largest coffee firms in the nation.

He was a native of Fountain Run, Ky.

The body was found by Duncan's wife, Linnie.

The Duncans were married in 1912. They had a son, H. M. Duncan, Jr., San Antonio, and three daughters, Mrs. Paul Taft, Mrs. Lois White and Mrs. Malcolm Cummings, all of Houston.

Mr. Duncan's first job as a youth after working on his father's plantation in Kentucky was with the Cheek - Neal Coffee Co., in Houston. It paid \$9 a week.

Mr. Duncan often recalled how he took his week's paycheck and bought two pairs of overalls at 98¢ each and started out with the idea of "learning the coffee business from the bean up."

He later organized the Duncan Coffee Co.

'I roasted coffee in the morning and peddled it at night," he once recalled.

A&P coffee executive dead

Joseph F. Aims, vice president of the coffee division of the Great Atlantic and Pacific Tea Co., died of a heart attack recently in his home at Teaneck, N. J. His age was 62.

Surviving are his widow, Jewell; two daughters, a brother and five sisters.

E. T. Watkins dead at 56

Eben Tarter Watkins II died recently in New Orleans at the age of 56,

A native of Wadley, Ga., Mr. Watkins came to New Orleans in 1920 and entered the retail coffee business. He was owner of the Royal Supply Co.

He is survived by his widow, a son and a daughter.

Coffee man dies in Houston

R. M. Henderson, who formerly operated the Henderson Coffee Co., Vicksburg, Miss., died recently in Houston, Texas.

He had lived in Vicksburg all his life, until he moved to Houston ten years ago.

He is survived by his wife, four brothers and two sisters.



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Crops and countries

coffee news from producing areas

Plan for World Coffee Council presented to Pan-American Union; would pave way for coffee pact

A broadening of the functions of Pan-American Coffee Bureau to include coffee producers all over the world was proposed at the Pan-American Union in Washington, D. C.

A subcommittee of the special coffee committee of the Inter-American Economic and Social Council made the recommendation.

The proposal for a World Coffee Council was made by Andres Uribe, delegate from Colombia.

The World Coffee Council would be "an interim arrangement, prior to the negotiation of a general international coffee agreement," Mr. Uribe said.

Jorge Sol, of El Salvador, explained that a coffee agreement should be reached in two phases:

1. A permanent body for co-operation between all producing countries.

2. An actual marketing agreement.

Once the proposal is approved, first by the special coffee committee and then by the Inter-American Economic and Social Council, it will be sent to the governments involved. Africans, Asian and Oceanian producers will be invited to join the Council.

The promotional activities would be financed by a per

bag levy on imports into the various countries of all coffee from producing countries belonging to the council.

An actual coffee marketing agreement would be deferred until the World Coffee Council was in operation.

Colombia's April-July exports could total 2,000,000 bags, Mejia states

Colombia's coffee exports in the period April through July could total 2,000,000 bags, and August-September shipments 800,000 bags, according to Manuel Mejia, General Manager of the National Federation of Coffee Growers.

Mr. Mejia said at a press interview that exports for the year ending September would amount to 5,300,000 bags, normal for crops of the last few years.

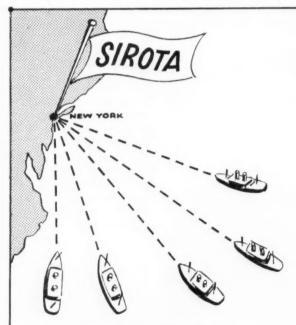
He stated he does not anticipate a drastic drop in Colombian coffee production.

He also pointed out, in answer to a question, that the government has declared emphatically no devaluation of the peso is contemplated.

Bank of Brazil revamps financing base; changes to encourage quality coffees

The Bank of Brazil has published revised bases for financing coffee of the current crop, increasing the bases by from 100 to 200 cruzeiros per 60-kilo bag, depending on the type and drink and style.

The greater increase was given to the best quality coffee. The Brazilian Coffee Institute said this was to encourage production of better coffee in line with the nationwide campaign.



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Bahia grower awarded prize

for improving coffee quality

Mario Cravo, owner of the Palestina Fazenda in Santa Inez municipality, was recently awarded a 50,000 cruzeiro prize for the improvement of coffee qualities in Bahia.

The 1,000,000 trees on Mr. Cravo's property in north Brazil produce almost 10,000 bags. Mechanical processing equipment is used on his fazenda.

A local commercial firm offered the annual prize.

It is to be presented by I.B.C. President Paulo Guzzo at a Bahia radio station owned by a newspaper chain which is sponsoring a nationwide better coffee campaign.

Mexico sees all-time record coffee crop

Miguel Angel Cordera, president of the National Coffee Commission of Mexico, has confirmed that an all-time record coffee crop will be harvested by Mexico this year.

Mr. Cordera told a New York Times correspondent that the 1956-57 crop, now being harvested, is expected to yield 1,754,000 60-kilo bags.

He added that Mexico's internal consumption is about 250,000 bags a year, thus leaving 1,500,000 bags for ex-

[This compares with the U.S. Department of Agriculture's estimate of 1,750,000 bags total production and 1,-550,000 bags exportable.]

The previous record was set in 1954-55, when production amounted to 1,600,000 bags.

FEDECAME meeting set for Panama City

Panama City, Panama, will be the site of the next annual meeting of FEDECAME-the Federacion Cafetalera de

The sessions will be held at the Hotel Panama April 9th-13th, it was announced by Arturo Morales, general manager of FEDECAME.

Indonesia expands coffee output

Indonesian coffee production has been increasing steadily since 1950 and is estimated at 1,073,354 bags in 1956 as compared with 1,013,353 bags in 1955, according to a Foreign Agriculture Circular issued by the U.S. Department of Agriculture.

Exports are sharply above the 1955 level, totaling 633,-346 bags in 1956, as compared with 392,674 bags the previous year.

India allots more coffee for export

India has decided to allot 11,050 tons of coffee for export from 1956-57 production, which is estimated at 37,800 tons -it was officially announced in New Delhi.

This is 3,150 tons above the quantity announced previously.

When he says black, he means black

A 43-year old New York City woman went to the hospital recently with 78 stitches.

Police said she insisted that a man friend drink coffee with milk. He wanted it black. When she continued to insist, he became enraged, grabbed a jagged piece of metal and attacked her.





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Completely automatic control of continuous coffee roasting indicated by atom research

Completely automatic control of continuous coffee roasting by special equipment may be possible, according to a prediction by Dr. Ernest E. Lockhart, scientific director of the Coffee Brewing Institute.

Dr. Lockhart's opinion is based on the findings of a study sponsored by the Coffee Brewing Institute, and published in Food Research.

Under the direction of John P. O'Meara, a research team at the Southwest Research Institute, San Antonio, Texas, has detected the appearance of free "radicals" in coffee as it is roasted.

Radicals are groups of atoms which are capable of passing unchanged from one chemical compound to another. Before a radical unites to form a compound, it is considered to be free.

During the roasting experiments, free radicals were present in very small quantities, but were readily detected with special apparatus.

The number of free radicals present in coffee increased as the roasting temperature or roasting time was increased. These free radicals were not extracted by water, and did not get into the beverage or into the concentrates from which instant coffee is prepared.

Through the team's brief but direct examination of coffee, it was possible to measure the rate of carbonization that occurred during roasting.

Although the equipment is expensive at this time, and requires skilled operators, it might be adapted in the future to very rapid control of the roasting process. Measurements might be made continuously on the whole beans, and the roast stopped when the number of free radicals present reached a specified level.

Commenting on the aim of the scientific research program, Eugene G. Laughery, president said: "The Coffee Brewing Institute feels strongly that one of its functions and obligations is to examine, if only in a preliminary manner, any new advance in methodology or instrumentation that makes its appearance in the scientific world that might eventually be of importance to the coffee industry. The study of coffee radicals in relation to free radicals produced in roasting, as measured by electron paramagnetic resonance, was undertaken in keeping with this policy."

Report on measuring color of roasted, beverage coffee issued by Brewing Institute

An accurate instrumental method for measuring and recording the color of roasted and beverage coffees is discussed in the technical monograph, "On the Color of Coffee," fifth in a series published by the Coffee Brewing Institute.

The factual data contained in the monograph represents the first phase of a study to determine measurement of coffee color as an indicator of flavor formation. The latest report is being distributed to trade and scientific publications.

Conducted by Dr. Gordon Mackinney and Angela C. Little, the study reveals an instrumental technique which eliminates chance of human error, and enables comparison of samples produced in a single roaster at different periods.

Samples produced in different roasting equipment, by different manufacturers, and in diverse areas of the country can now be color-measured and recorded accurately. Errors formerly made by the visual observation technique are eliminated.

An easy means of predicting a "finish" temperature for a desired color, once a temperature-color relationship is established, is offered by this method.

In most cases, color develops uniformly as the temperature within the roasting chamber increases, the authors find. This tends to confirm the opinion of many roasters that there is no practical necessity for roasting individual varieties separately.

Increase ocean freight rates on coffee

The Brazil-U. S.-Canada Freight Conference will raise coffee rates 25¢ per bag, effective on vessels sailing after April 1st, the New York City Green Coffee Association has been advised.

An increase in rates, effective April 1st, has also been announced by the U.S. Atlantic and Gulf Santo Domingo Conference.

This covers shipments from the Dominican Republic to U. S. Atlantic and Gulf ports.

The Association of West Coast Steamship Companies has announced that the present freighting agreements, set to expire February 28th, were extended to June 30, 1957.

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17 Battery Place, New York

(Continued from page 13)

to call it to the attention of the nation's educators, 20,000 reprints were sent in advance to schools and colleges across the country. These reprints were accompanied by a large reproduction of the center picture, suitable for classroom use to help students visualize the classic authors whose works they are studying. Classroom quantities of the reprints are available to all teachers who request them on a card enclosed for the purpose, so that the content of "The Coffee Hunger of Man" may be used as the subject for class discussions and essays.

The importance of this article is underscored by the prominence of the artist who drew the seven paintings. He is Robert Riggs, who was assigned recently by Life to do the paintings for its series on the history of segregation in America. Mr. Riggs himself was once the subject of a Life article and his pictures appear in many museums and galleries, including the Whitney Museum and the Museum of Modern Art. One unusual feature of his work is that he paints not in conventional oils or water colors but with color pigments he grinds himself. He also uses a specially prepared gesso board instead of canvas. These points are of considerable interest to the teachers, especially those who conduct art classes.

All of the foregoing will, I think, help answer the question on the lips of many advertising and food trade people: why didn't you devote those six pages entirely to advertisements of Nestlé products? It's a fair question.

It's true that a multi-page ad of that sort would have done considerable selling for us. It would also have given us a certain amount of trade attention. But it would have been forgotten by the general public a week or two later.

The advertisement we have used will have a more solid and lasting effect than any other type. It blazes a new path in advertising which, as I have said, is the transference of the TV spectacular theme to magazines. Like many a fine TV show, our feature is chiefly thoughtful entertainment, the kind that people will remember and talk about

And there is a commercial. The final page of our Life feature is devoted entirely to our famous coffee bean ad.

Theft of \$50,000 coffeemaker

lands air freight man in jail

A \$50,000 gold percolator encrusted with gems disappeared from an air freight office at Logan International Airport, Boston, recently.

A few days later the Miami FBI announced the arrest of Oscar Smith, an employee of the Emery Air Freight Co., Boston, and the recovery of the coffeemaker in a Hollywood, Florida, motel.

The March of Dimes was touring the country with the percolator, holding "Coffeetime" parties for the National Foundation of Infantile Paralysis fund.

March of Dimes borrowed it from the Landers, Frary & Clark Co., New Britain, Conn., which made it to celebrate the manufacture of its 50,000,000th percolator.



(Continued from page 11)

given cigars and had the first of many cups of Cuban-style coffee.

After mutual greetings, we toured Havana and returned to the Hotel Nacional just about in time to get ready for a cocktail party being given by the Banco Cubano del Comercio Exterior.

At the cocktail party we were able to examine many samples of washed Cuban coffees. Many of the men were not well acquainted with Cuban coffees, and we were all able to ask pertinent questions and at the same time began "getting to know" the exporters on a personal basis. It is really difficult to explain our relationship with the Cubans, as everyone was so anxious to see that we had the best of everything, and offered us many personal invitations.

After the party, we had dinner at the Floridita Restaurant and then went to a Jai Lai game.

Saturday: 5:30 a.m., first call for departure to the airport to board a chartered plane to Cienfuegos.

We arrived at that destination, and immediately thereafter, our group, together with about 45 Cubans, boarded several chartered buses and traveled on paved and clay roads until we reached a typical interior Cuban town. At this point, there was a convoy of 20 jeeps waiting for us.

The entire party, over hills and rough terrain, went to "El Nicho," a coffee plantation owned by the Betancourt-Castano family and operated by the Operadora de Cafe, "Delicias," S. A.

As many in our group had never seen a coffee tree before, the tour to the plantation was extremely educational, and it gave the U.S. men an opportunity to really learn all about coffee, as well as to further acquaint themselves with the Cuban growers, exporters, etc. There were mutual inquiries as to quality, etc., which would enhance Cuba's exports to this country.

Our hosts gave us a typical Cuban dinner, which consisted of roasted pig, black beans and rice, with all the trimmings.

We returned to Havana just in time to attend a cocktail party by Swanson Brothers, Inc. This was really a preliminary to going to the stupendous Tropicana nightclub as guests-of-honor of the Instituto Cubano de Establizacion del Cafe.

In summary, I feel that I speak for the group when I say that although the real purpose of the trip, that is to learn about coffee, was successful, we are really even more appreciative to our hosts for their hospitality, we shall all keep in contact with them.

This trip was unique in that it's the first time coffee men of various U. S. firms have traveled together this way, and it's also the first time a coffee roasting firm has taken its entire sales force to visit a producing country.

However, I am sure that the Cubans and my fellowtravelers will endorse my statement that trips of this kind shoud be made more frequently. We are looking forward to have the Cubans reciprocate our trip.

May grow coffee in Israel

Dr. Yaakor Pelleg, director of agriculture of the research station at Rehvot, Israel, indicates the possibility of growing coffee successfully in Israel.

Sufficient coffee could be grown to satisfy home needs, he indicates.

This year's crop produced 150 kilograms of beans, compared with two kilograms last year.

It is proposed to devote 20,000 dunams (about 4942 acres) to coffee, with 150 plants on each dunam.

They have found Arabica coffee most suitable for their purpose.

Final decisions will be made after experiments are completed at the research station.

W. H. KUNZ & CO.

302 Magazine St.

New Orleans 12, La.

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Cable Address KUNZCO

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PACKING
VACUUM PACKING

Coffee Trade Roasters

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No coffee can taste better or
have more aroma than freshly,
correctly ground coffee!

Grocery & Restaurant Coffee Grinders

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Ship sailings

A SUMMARY OF INWARD - BOUND SCHEDULES ON THE COFFEE AND TEA BERTHS

Ports and dates are subject to change, should exigencies require. Moreover, lines may schedule sailings not shown in this schedule.

Abbreviations for lines

Abl Trans Car-Ablmann Trans Caribbean Line Alcoa-Alcoa Steamship Co. Am-Exp-American Export Lines Am-Pres-American President Lines Arg-State-Argentine State Line Am-WAfr-American-West African Line B-Afr-Belgian African Line Barb-Wn-Barber Wilhelmsen Line Barb-Frn-Barber-Fern Line Barb-WAfr-Barber-West African Line Brodin-Brodin Line Cunard-Brocklebanks' Cunard Service Delta-Delta Line Dodero-Dodero Lines Dreyfus-Dreyfus Lines Ell-Buck-Ellerman & Bucknell S.S. Co. Parrell-Farrell Lines Grace-Grace Line Granco-Transportadora Gran Colombiana, Lida. Gulf-Gulf & South America Steamship

Hol-Int-Holland-Interamerica Line

IFC-I.F.C. Lines Independence-Independence Line Isthmian-Isthmian Lines, Inc. JavPac-Java-Pacific Line Lamp-Ho-Lamport & Holt Line, Ltd. Lloyd-Lloyd Brasileiro Lykes-Lykes Lines Maersk-Maersk Line Mam-Mamenic Line Mormac-Moore-McCormack Lines, Inc. Nedlloyd-Nedlloyd Line Nobal-Northern Pan-American Line Norton-Norton Line PAB-Pacific Argentine Brazil Line PacFar-Pacific Far East Line, Inc. PacTrans—Pacific Transport Lines, Inc. Pioneer—American Pioneer Line Prince—Prince Line, Ltd. PTL-Pacific Transport Lines, Inc. R Neth-Royal Netherland Steamship Co. Robin-Robin Line Royal Inter-Royal Interocean Lines SCross-Southern Cross Line Sprague—Sprague Steamship Line Stockard—Stockhard Line Swed-Am-Swedish American Line Torm-Torm Lines UFruit-United Fruit Co. Wes-Lar-Westfal Larsen Co. Line Yamashita-Yamashita Line

At-Atlantic ports Ba-Baltimore Bo-Boston -Corpus Christi CC-Ch-Chicago Chsn-Charleston Cl-Cleveland Ga-Galveston Gf-Gulf ports Ha-Halifax Ho-Houston HR-Hampton Roads Jx-Jacksonville LA-Los Angeles Ml-Montreal Mo-Mobile NO-New Orleans NY-New York Nf-Norfolk NN-Newbort News Pa-Philadelphia Po-Portland PS-Puget Sound Sa-Savannah -San Francisco Se-Seattle St Io-Saint John Ta-Tacoma Va-Vancouver Wi-Wilmington

Abbreviations for ports

COFFEE BERTHS

SAILS SHIP

3/21 Cuhahama

3/29 A steamer

3/31 Else Nielsen

Choluteca

3/17 Telde

3/24 Leon

4/12 Marna

3/22

LINE

UFruit

II Fruit

UFruit

UFruit

UFruit

UFruit

UFruit

Catherine Sartori U Fruit

Ho3/13

Ho3/25

NY3/30

N03/28

NY4/6

N04/4

NY4/20

DUE

SAILS	SHIP	LINE	DUE
ABI	DJAN		
3/11	Del Sol	Delta	N03/28
3/17	Ferngrove	Am-W Af	fr USA 4/15
4/8	Del Santos	Delta	N04/23
4/24	Del Campo	Delta	N05/10
5/9	Del Rio	Delta	N05/26
ACA	JUTLA		
3/26	Yucatan	UFruit	Cr2 4/1 NO4/8
3/31	Copan	UFruit	Cr2 4/6 NY4/15
436	APALA		
AM	APALA		
4/3	Copan	UFruit	Cr2 4/6 NY4/15
ANG	GRA DOS	KEIS	
3/10	Nordanger	Wes-Lar	LA4/3 SF4/5 Po4/10 Se4/12 Va4/13

	UFruit	Cr2 4/1 N04/8	BU	ENAVENT	URA	
	UFruit	Cr2 4/6 NY4/15	3/10	Gulf Merchant	Grace	Ho3/23 No3/27
			3/11	Santa Marta	Granco	Ho3/18 Ga3/21 NO3/24
			3/11	Santa Margarita	Grace	NY3/18
			3/18	Santa Barbara	Grace	NY3/25
	U Fruit	Cr2 4/6 NY4/15	3/20	Shipper	Gulf	Ho4/2 NO4/5
			3/25	Santa Luisa	Grace	NY4/1
-	DETA		3/25	Cd de Neiva	Granco	Ho4/1 Ga4/5 NO4/7
S	REIS		3/31	Gulf Banker	Gulf	Ho4/13 NO4/16
	Wes-Lar	LA4/3 SF4/5 Po4/10 Se4/12 Va4/13				
			CAI	RTAGENA		
II	LLA		3/11	Rio Magdalena	Granco	Ho3/19 Ga3/20 NO3/22
	Granco	Ha3/20	3/17	Vindeggen	Granco	Ho3/27 Ga3/29 NO4/1
na	Granco	Ho3/19 Ga3/20 NO3/22	3/20	La Mancah	Granco	Ba4/8 Pa4/9 NY4/10
	UFruit	N03/26	3/27	Majorka	Granco	Ho4/10 Ga4/11 NO4/13
	Granco	Ho3/27 Ga3/29 NO4/1	4/6	La Rioja	Granco	Ho4/18 Ga4/19 NO4/21
	Granco	Ba4/8 Pa4/9 NY4/10				
9	UFruit	NY4/1	COL	RINTO		
	Granco	Ho4/10 Ga4/11 NO4/13	COI	KINIO		
	Granco	Ho4/18 Ga4/19 NO4/21	3/10	Helvig Torm	Mam	NY3/26
	UFruit	NY4/15				

BARRIOS						
3/12	Else Nielsen	UFruit	N03/17			
3/15	Marna	UFruit	NY3/24			
3/13	maria	Grine	11 13/24			

BARRANQU 3/11 Granada 3/13

Rio Magdalen 3/15 Lempa 3/20

Vindeggen

La Mancah

Christiane

MARCH, 1957

Kirsten Torm Majorka 3/30

3/23

3/26

3/10	Helvig Torm	Mam	NY3/26
COI	RTES		
3/16	Marna	UFruit	NY3/24
			NY3/30
3/23	Catherine Sartori	UFFUIT	14 1 3/ 30

SAIL	SHIP	LINE	DUE	SAILS	SHIP	LINE		DUE
3/29	Else Nielsen	UFruit	N04/4	LIM	ON			
3/30	A steamer	UFruit	NY4/6	0.120		****	N110 (04	
4/6	Choluteca	UFruit	NY4/13	-	Loviand	UFruit	NY3/24	
1/13	Marna	UFruit	NY4/20		Lempa	UFruit	N03/26	
				2/23	Kirstetn Torm	UFruit	NY4/1	
001	OMODAY			3/30	Candida	UFruit	NY4/8	
CRI	STOBAL			4/6	Christiane	UFruit	NY4/15	
3/10	Vera Cruz	UFruit	N03/16	4/13	Lovland	UFruit	NY4/22	
1/2	Else Nielsen	UFruit	N04/8					
4/8	Copan	UFruit	NY4/15	LOI	BITO			
				3/16	Afr Glen	Farrell	NY4/15	
DA	R es SAL	AAM		4/5	Tatra	Am-W A	fr USA 4/30	
				4/6	Afr Pilot	Farrell	NY5/1	
3/24		Lykes	Gulf 4/30	4/8	Afr Pilgrim	Farrell	NY5/8	
3/26	Lombok		NY4/27 LA5/13 SF5/16 Po5/20 Se5/23 Va5/24	4/17		Am-W A	fr USA 5/15	
3/31	Afr Rainbow	Farrell	NY4/26					
1/17	Afr Crescent	Farrell	NY5/13					
/18	Sarangan	Nediloyd	NY5/19 LA6/6 SF6/9 Po6/14 Se6/16 Va6/18	LUA	ANDA			
				3/11	Afr Glen	Farre!	NY4/15	
EL	SALVADO	OR		3/31	Del Santos	Delta	N04/23	
	****	F	LA3/25 SF3/28 Va4/1 Se4/5 Po4/8	4/2	Afr Pilot	Farrell	NY5/1	
5/19	Winnipeg	French	LA3/25 SF3/28 V84/1 SE4/5 P04/8	4/3	Tatra	Am-W A	fr USA 4/30)
				4/4	Afr Pilgrim	Farrell	NY5/8	
GIL	TEMAL	Δ.		4/15	Fernfiord	Am-W A	fr USA 5/15	
40.	1 I DMITTE			4/16	Del Campo	Delta	N05/10	
3/15	Winnipeg	French	LA3/25 SF3/28 Va4/1 Se4/5 Po4/8	5/1	Del Rio	Delta	N05/26	
GU	YAQUIL			MA	TADI			
			W-4/3 C-4/5 NA4/3					
3/20	Neiva	Granco	Ho4/1 Ga4/5 NO4/7		Del Santos	Delta	N04/23	

LA LIBERTAD

UFruit Cr2 4/1 N04/8 3/27 Yucatan UFruit Cr2 4/6 NY4/15 3/30 Copan

LA UNION

UFruit Cr2 4/1 N04/8 UFruit Cr2 4/6 NY4/15 3/28 Yucatan 3/29 Copan

3/10 Samarinda Nedlloyd NY4/7 LA4/23 SF4/26 Po4/30 Se5/3 Va5/5

Delta

Delta

3/31 Tatra 4/1 Afr Pilgrim

4/13 Del Campo

MOMBASA

1/28 Del Rio

Afr Pilot

Fernfiord

TO NEW ORLEANS AND OTHER

Am-W Afr USA 4/30 Farrell NY5/8 Farrell NY5/1

Am-W Afr USA 5/31

N05/10 N05/26



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Sociedade Lusco-Americano, Ltde

MATADI Nieuwe Afrikaansche Handels Vennootschap

SAILS SHIP DUE LINE 3/19 Afr Rainbow Farrell NY4/26 Nedlloyd NY4/27 LA5/13 SF5/16 Po5/20 Se5/23 Va5/24 3/30 Lombok 4/1 Mayo Gu:f 4/30 Afr Crescent Farrell NY5/13 Nedlloyd NY5/19 LA6/6 SF6/9 Po6/14 Se6/16 Va6/18 4/22 Sarangan

PARANAGUA

3/15	Mormacisle	Mormac LA4/15 SF4/19 Va4/23 Se4/25 Po4/27
3/18	Del Alba	Delta NO4/7 Ho4/12
3/19	Mormacreed	Mormac Jx4/7 NY4/11 Bo4/14 Pa4/16 Ba4/18
3/20	Nyland	Brodin Ba4/7 NY4/9 Bo4/12 Pa4/14
3/21	Equador	Lloyd NO4/10 Ho4/14
3/22	Chile	Lloyd NY4/12
3/22	Mormacwren	Mormac NY4/11 Ba4/14 Pa4/16 Bo4/18 M14/23
3/25	Del Mundo	Delta NO4/14 Ho4/19
3/27	Mormacdale	Mormac NY4/17 Bo4/20 Pa4/22 Ba4/24
3/28	Holberg	Nopal NO4/18 Ho4/22
3/31	Montevideo	Stockard NY4/19 Bo4/22 Pa4/24 Ba4/26
3/31	Mormacstar	Mormac Jx4/20 NY4/24 Bo4/27 Pa4/29 Ba4/30 Nf5/1
4/2	Siranger	Wes-Lar LA5/2 SF5/4 Po5/9 Se5/11 Va5/12
4/4	Mormacyork	Mormac NY4/22 Bo4/25 Pa4/27 Ba4/29
4/4	Mormacmar	Mormac LA5/3 SF5/6 Va5/10 Se5/14 Po5/16
4/8	Del Oro	Delta NO4/28 Ho5/3
4/24	Santos	Stockard NY5/13 Bo5/16 Pa5/18 Ba5/20
5/4	Del Viento	Delta N05/24 Ho5/29
5/13	Del Monte	Delta N06/2 Hc6/7
5/15	Buenos Aires	Stockard Bo6/6 Pa6/8 Ba6/10

RIO de JANEIRO

3/11	Nordanger	Wes-Lar	LA4/3 SF4/5 Po4/10 Se4/12 Va4/13
3/13	Mormacisle	Mormac	LA4/15 SF4/19 Va4/23 Se4/25 Po4/27
3/13	Panama	Lloyd	NY3/27
3/14	Sagoland	Brodin	Ba3/28 NY3/30 Bo4/3 Pa4/5
3/16	Del Sud	Delta	N03/29
3/17	Brazil	Mermac	NY4/1
3/21	Del Alba	Delta	NO4/7 Ho4/12
3/25	Nyland	Brodin	Ba4/7 NY4/9 Bo4/12 Pa4/14
3/26	Equador	Lloyd	NO4/10 Ho4/14
3/28	Del Mundo	Delta	NO4/14 Ho4/19
3/28	Chile	Lloyd	NY4/12
3/31	Mormacdale	Mormac	NY4/17 Bo4/20 Pa4/22 Ba4/24
4/1	Holberg	Uopal	NO4/18 Ho4/22
4/4	Del Mar	Delta	NO4/18
4/4	Montevideo	Stockard	Bo4/22 Pa4/24 Ba4/26
4/5	Mormacstar	Mormac	Jx4/20 NY4/24 Bo4/27 Pa4/29 Ba4/30
4/6	Siranger	Wes-Lar	LA5/2 WR5/4 Po5/9 Se5/11 Va5/12
4/10	Argentina	Mormac	NY4/22
4/11	Mormacmar	Mormac	LA5/3 SF5/6 Va5/10 Se5/14 Po5/16
4/11	Del Oro	Delta	NO4/28 Ho5/3
4/10	Del Norte	Delta	N05/2
4/28	Santos	Stockard	NY5/13 Bo5/16 Pa5/18 Ba5/20
5/3	Del Sud	Delta	N05/16
5/7	Del Viento	Delta	N05/24 Ho5/29
5/16	Del Monte	Delta	N06/2 Ho6/7
5/19	Buenos Aires	Stockard	Bo6/6 Pa6/8 Ba6/10

SANTOS

3/12	Panama	Lloyd	NY3/27
3/13	Sagoland	Brodin	Ba3/28 NY3/30 Bo4/3 Pa4/5
3/13	Mormactide	Mormac	NY3/27 Bo3/30 Pa4/1 Ba4/3 Nf4/4
3/15	Brazil	Mormac	NY4/1
3/15	Del Sud	Delta	N03/29
3/19	Mormacisle	Mormac	LA4/15 SF4/19 Va4/23 Se4/25 Po4/27
3/20	Del Alba	Delta	NO4/7 Ho4/12
3/22	Mormacreed	Mormac	Jx4/7 NY4/11 Bo4/14 Pa4/16 Ba4/18
3/24	Nyland	Brodia	Ba4/7 NY4/9 Bo4/12 Pa4/14
3/27	Equador	L'oyd	NO4/10 He4/14
3/27	Del Mundo	Delta	NO4/14 Ho4/19
3/27	Chile	Lloyd	NY4/12
3/30	Mormacdale	Mormac	NY4/17 Bo4/20 Pa4/22 Ba4/24
3/30	Holberg	Nopal	NO4/18 Hc4/22
4/2	Montevideo	Stockard	NY4/19 Bo4/22 Pa4/24 Ba4/26
4/3	Del Mar	Delta	NO4/18
4/4	Mormaestar	Marmac	Jx4/20 NY4/24 Bo4/27 Pa4/29 Ba4/30 Nf5/1
4/7	Mormacyork	Mormac	NY4/22 Bo4/25 Pa4/27 Ba4/29
4/8	Argentina	Mormac	NY4/22
4/8	Mormacmar	Mormac	LA5/3 SF5/6 Va5/10 Se5/14 Po5/16
4/10	Del Oro	Delta	NO4/28 Ho5/3
4/17	Del Norte	Delta	N05/2
4/26	Santos	Stockard	NY5/13 Bo5/16 Pa5/18 Ba5/20
5/2	Del Sud	Delta	N05/16
5/6	Del Viento	Delta	NO5/24 Ho5/29
			WAS W. C

N06/2 H06/7 NY6/3 B06/6 Pa6/8 Ba6/10

Regular Service

From The Principal Brazilian Ports To: **NEW ORLEANS** NEW YORK



(Partrimonio Nacional)

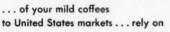
Owned and operated exclusively by the Brazilian Government, LLOYD BRASIL-EIRO includes the American Line in its list of services vital to Brazil's trade relations with the commercial centres of the world. The American Line maintains regular service from the principal Brazilian coffee ports to New York and New Orleans, with facilities (as cargo offers) at Philadelphia, Baltimore, Norfolk, Jacksonville and Houston.

Bringing North and South America nearer each other. LLOYD BRASILEIRO makes the Good Neighbor a Close Neighbor.

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NEW ORLEANS 305 Board of Trade Bldg.

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UNITED FRUIT COMPANY

Steamship Service

Regular Sailings between

GUATEMALA EL SALVADOR HONDURAS

NICARAGUA COSTA RICA COLOMBIA



NEW YORK - NEW ORLEANS - HOUSTON



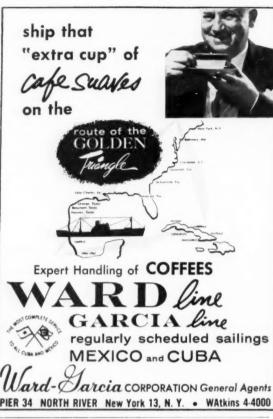
NEW YORK: Pier 3, North River NEW ORLEANS: 321 St. Charles St.



Delta

Dalta

5/16 Del Monte





Gulf & South American Steamship Co. serving the West Coast of South America

An American-Flag Freighter every ten days. Fast, efficient schedules from Gulf Ports. Expert Cargo Handling. Limited Passenger Accommodations.



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In Other Cities Contact Grace or Lykes

SAILS	SHIP	LINE	DU
TANGA			

3/26	Afr Rainbow	Farrell	NY4/26

13/27 Lombok Nedlloyd NY4/27 LA5/13 SF5/16 Po5/20 Se5/23 Va5/24
4/12 Afr Crescent Farrell NY5/13

/19 Sarangan NedHoyd NY5/19 LA6/6 SF6/9 Po6/14 Se6/16 Va6/18

VICTORIA

3/11	Del Aires	Deita	N03/27 Ho4/1
3/23	Del Alba	Delta	NO4/7 Ho4/12
3/27	Equador	Lloyd	NO4/10 Ho4/14
3/30	Del Mundo	Delta	NO4/14 Ho4/19
4/13	Del Oro	Delta	NO4/28 Ho5/3
5/9	Del Viento	Delta	N05/24 Ho5/29
5/18	Del Monte	Delta	ND6/7

TEA BERTHS

BELAWAN DELI

2/16	Steel Chemist	tettimina.	Do4/10	NY4/20
2/13	Presi Cusmist	izrumian	004/19	M 14/20
3/28	Steel Executive	Isthmian	Bo5/1	NY5/2
4/8	Steel Artisan	Isthmian	Bo5/10	NY5/11
4/22	Steel Director	Isthmian	Bo5/25	NY5/26
516	Steel Vousses	Lethmian	Po6/0	NVC/11

CALCUTTA

3/10	Explorer	Am - Exp	Bo4/18	NY4/19				
3/14	Manipur	Cunard	Bo4/23	NY4/25	Wi4/29	Pa4/29	Nf5/1	Ba5/3
3/14	Magdapur	Cunard	Sa4/20	N04/25	Ho4/29	Ga4/30		
3/21	Exchange	Am-Exp	Bo4/27	NY4/29				
4/7	City Bath	Norton	Bo5/15	NY5/16	Pa5/19	Nf5/23	Ba5/25	
4/9	Exhibitor	Am-Exp	Bo5/16	NY5/17				
4 /20	04	1 Afrantisa	NOT /17					

COCHIN

3/20	Explorer	Am - Exp	Bo4/18	NY4/19
3/28	Exchange	Am-Exp	Bo4/27	NY4/29
4/1	Cape	Kerr	NY5/8	
4/17	Exhibitor	Am - Exp	Bo5/16	NY5/17
5/5	Silverstream	Kerr	NY6/10	
6/2	Silvermoon	Kerr	NY7/9	

COLOMBO

3/13	Steel Traveler	Isthmian	NO4/14
3/16	Explorer	Am-Exp	Bo4/18 NY4/19
3/19	Manipur	Cunard	Bo4/23 NY4/25 Wi4/29 Pa4/29 Nf5/1 Ba5/
3/19	Magdapur	Cunard	Sa4/20 N04/25 Ho4/29 Ga4/30
3/20	Anna	Maersk	NY4/23 MI5/7
3/26	Exchange	Am - Exp	Bo4/27 NY4/29
3/29	Cape	Kerr	NY5/8
4/6	Hulda	Maersk	NY5/9 MI5/23
4/13	Exhibitor	Am-Exp	Bo5/16 NY5/17
4/15	Steel Surveyor	Isthmian	N05/17
4/20	Peter	Maersk	NY5/24 MI6/7
5/2	Silverstream	Kerr	NY6/10
5/6	Lars	Maersk	NY6/8 M16/22
5/20	Olga	Maersk	NY6/23 MI7/7
5/30	Silvermoon	Kerr	NY7/9
6/5	Luna	Maersk	NY7/7 MI7/21

DJAKARTA

3/18	Hulda	Maersk	NY5/9 MI5/23
3/20	Steel Artisan	Isthmian	Bo5/10 NY5/11
4/1	Steel Director	Isthmian	Bo5/25 NY5/26
4/15	Steel Voyager	Isthmian	Bo6/9 NY6/11
4/18	Lars	Maersk	NY6/8 MI6/22
5/18	Luna	Maersk	NY7/7 MI7/21

HONG KONG

	3/10	M.M. Dant	PacTrans	SF3/27	LA3/30
	3/13	Golden Mariner	PacFar	SF3/29	LA4/3
	3/18	Maren	Maersk	LA4/11	SF4/27
-	3/23	Phil Trans	PacTrans	SF4/10	LA4/13
Ì	3/31	Japan Bear	PacFar	SF4/16	LA4/21
	4/3	Rita	Maersk	SF4/25	NY5/11
1	4/5	Japan Trans	PacTrans	SF4/23	LA4/26
1	4/18	Effie	Maersk	LA5/11	NY5/26

SAILS	SHIP	LINE		DUE
5/3	Chastine	Maersk	SF5/25	NY6/10
5/18	Nicoline	Maersk	LA6/12	NY6/28
6/3	Johannes	Maersk	SF6/25	NY7/13
кон	BE			
3/14	M.M. Dant	PacTrans	SF3/27	LA3/30
3/25	Maren	Maersk	LA4/11	NY4/27
3/27	Phil Trans	PacTrans	SF4/10	LA4/13
4/9	Japan Trans	PacTrans	SF4/23	LA4/26

Maersk

Maersk

Maersk

Maersk

Maersk

6/9 Johannes SHIMIZII

5/25 Nicoline

Rita

Chastine

4/9

5/9

4/24 Effie

	11110			
3/11	Susan	Maersk	SF3/25	NY4/10
3/16	M.M. Dant	PacTrans	SF3/27	LA3/30
3/27	Maren	Maersk	LA4/11	NY4/27
4/11.	Rita	Maersk	SF4/25	NY5/11
4/11	Japan Trans	PacTrans	SF4/23	LA4/26
4/26	Effie	Maersk	LA5/11	NY5/26
5/11	Chastine	Maersk	SF5/25	NY6/10
5/27	Nicoline	Maersk	LA6/12	NY6/28
6/11	Johannes	Maersk	SF6/25	LA7/11

YOKOHAMA

3/15	Susan	Maersk	SF3/25	NY4/10	
3/17	M.M. Dant	PacTrans	SF3/27	LA3/30	
3/30	Phil Trans	PacTrans.	SF4/10	LA4/13	
3/31	Maren	Maersk	LA4/11	NY4/27	
4/12	Japan Trans	PacTrans	SF4/23	LA4/26	
4/15	Rita	Maersk	SF4/25	NY5/11	
4/30	Effie	Maersk	LA5/11	NY5/26	
5/15	Chastine	Maersk	SF5/25	NY6/10	
5/31	Nicoline	Maersk	LA6/12	NY6/28	
6/15	Johannes	Maersk	SF6/25	NY7/11	

² Accepts freight for Atlantic and Gulf ports, with transshipment at Cristobal, C. Z.

SF4/25 LA5/11

LA5/11 NY5/26

SF5/25 NY6/10

LA6/12 NY6/28

SF6/25 NY7/11

it's time to decide

(Continued from page 14)

It's the mechanics of dollars and cents. Qualities and prices of green coffee roasts, production cost of extracting, spraying, quality control, efficiency of yield and packaging . . . these are variables; but the areas of floors and ceilings on these costs are rather well established. That means there are no "bargains" on a private label instant coffee. The roaster who shops for the cheapest prices will invariably end up with an inferior or sub-standard soluble. Even though the label carries the legend "100% pure coffee," the contents of the jar cannot make the grade on consumer acceptance, for repeat sales.

So remember, if you are having your soluble processed for you. The processor is entitled to a fair production profit. If he is capable, he will provide you with the *right* product at the *right* price. That means a product that will command consumer respect for quality adequacy, a product cost that provides sound pricing structure, from competitive shelf price to justifiable gross profit margin for the retailer and a satisfactory profit return for you.

The roasters who have sought the lowest price availabilities have already flooded many markets . . . unsuccessfully. The consumer can only be fooled once on quality. She does shop for *values*—not for the lowest shelf price items.

The priceless ingredient of your success is your marketing program. With the *right* product at the right *price*, your marketing program determines how successfully you build distribution, how fast your shelf stock turns and how large a share of the existing market you can pull under your brand.

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Chicago—F. C. MacFarlane, 2520 Bankers Bldg.
Detroit—F. C. MacFarlane, 945 Free Press Bldg.
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population trends and the coffee market

By DR. VERGIL D. REED, Vice President and Associate Director of Research J. Walter Thompson, Inc.

These highlights, the second installment, are from Dr. Reed's report to the National Coffee Association's 46th annual convention.

America is going suburban, and rapidly. This trend has been quite marked since 1920. Cities of all sizes are

More than half the nation's population now lives in 168 metropolitan areas which include only 275 or 9.1% of the total counties in the country. Within their boundaries lie: (1) four-fifths of our total population increase of the last decade; (2) almost two-thirds of total retail volume; (3) about nine-tenths of our national wholesale volume.

A look at what is happening inside these metropolitan areas is particularly significant. While the central cities as a group increased their population by 13.9%, the "remainder of the areas" (the suburbs roughly) increased 35.5% in the 1940-1950 decade. Nearly half our total increase in population during that decade was in these suburban areas. During the past several years, this trend to the suburbs has been at a much faster pace.

Far over half the new homes built in the nation since the war have been built in the suburbs of those 168 metropolitan areas. The middle income families, and particularly the younger ones with children, are heading for the suburbs. Their incomes exceed the national average considerably. The reason I stress this is because suburbanites are among the heaviest coffee drinkers. Home ownership among them is particularly high, and so is coffee consumption.

Americans literally live on wheels. A year from today about 31,000,000 people will be living in a different house. Of these, over 20,000,000 will move to another house in the same county. Over 5,000,000 will move to another county in the same state. Over 5,000,000 will move to another state. Losses and gains of population are very unevenly distributed and require constant study,

particularly by those of you who have sectional or local

Our population is gaining in educational level at a very rapid pace. There are already 90% more high school graduates in our adult population than in 1940. Today approximately 7,000,000 of our people have four years or more of college education. This is two-and-athird times as many as in 1940. Roughly as many more have from one to three years in college. Both the numbers and the proportions with higher education will continue to increase. Our cultural, as well as our material, standard of living is increasing. This, too, means many additional "one-mores' of good coffee.

Shorter working hours, more and longer paid vacations, less drudgery, and the increasing decentralization of factories and offices to the suburbs and smaller cities are greatly changing our way of life. All of this means more travel and more consumption of goods and services, more time and more desire to enjoy coffee breaks in an informal atmosphere.

This rapidly increasing leisure is well nigh a revolutionary marketing force as well as a source of many social problems. It will affect advertising as well as art; coffee as well as customs; education as well as eating; farming as well as fashion; medicine as well as music; transportation as well as television. Those who sell goods and services will have to compete for their share of this leisure as well as their share of the consumer dollar. Added leisure and added income both mean a wider range of consumer choice.

The scale of your job-and your opportunity-is quite clear. If you merely brought per capita consumption back up to the 1947-1949 average of 18 lbs. (green weight) instead of the present 15.5 lbs., the result would be astounding. That rate of consumption would require 3,176,323 more bags of coffee to satisfy such a demand this year. That's more than last year's combined exports of Salvador, Guatemala,

(Continued on page 85)



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Coffee Movement In The U. S. Market (Figures in 1,000 bags)

		igures in 1					
	Total Entries	Brazil	Others	om : Total	Brazil	upply—1st of Others	Total
		195	5				
pril	1.193	540	650	1,190	425	381	806
lay		585	1.159	1.744	533	422	955
ine		331	984	1,315	272	406	678
ly		739	894	1.632	728	362	1,090
igust		579	745	1,324	484	330	814
ptember		731	775	1.506	543	349	892
tober		1,063	824	1.887	1.024	213	1,237
vember		1.017	996	2.013	1,129	303	1,432
cember		842	1,007	1,849	878	222	1,100
		1950	5				
nuary	1.516	738	905	1,643	780	571	1,351
bruan y		828	977	1,805	880	445	1,325
rch		1.126	1,226	2,352	1.192	421	1,613
ril	1.558	860	716	1,576	822	456	1,278
ty	1.336	622	694	1,316	695	586	1.281
ie	1.810	866	837	1,703	930	543	1,473
у		957	828	1,785	1,060	599	1,659
gust		729	809	1,538	970	582	1.552
ptember		912	718	1,630	998	574	1,572
tober		804	655	1,459	916	654	1,570
vember		650	616	1,266	828	636	1,464
cember		735	651	1.386	903	703	1,606
		1957	7				
nuary	1 749	917	809	1.726	1,064	655	1,719
bruary		906	927	1,833	1,362	611	1,973
Figures by N. Y. Coffee & Sugar E	xchange,	Inc., in bag	s of origin	(Prelimina	ry)		

1956 coffee roastings up 8%; solubles now taking 16% of roastings

Inventories of green coffee held by roasters, importers and dealers in the United States (excluding any coffee held by the Armed Forces) totaled 2,806,000 bags on December 31st, 1956, compared to 2,187,000 bags on the same date of 1955, according to the Bureau of the Census of the U. S. Department of Commerce.

Private sources had placed the 1956 year-end carryover at 2,000,000 to 2,200,000 bags.

Imports of green coffee into the U. S. totaled 21,225,000 bags in 1956, while roastings totaled 20,263,000 bags. Comparable figures for 1955 are, respectively, 19,641,000 bags and 18,813,000 bags, while in 1954 imports were 17,078,000 bags and roastings were 17,601,000 bags.

Annual 1956 roastings for soluble coffee totaled 3,200,-000 bags, an increase of more than one-third over the 1955 volume of 2,300,000 bags, and more than 50% over roastings for soluble use in 1954. The ratio of soluble coffee to regular was 16% in 1956, compared to the 1955 ratio of 12.3%.

The green coffee carryover was an improvement of 619,000 bags from the previous year, but well under the 3,300,000 bags reported on September 30th, 1956. That was the high mark of the last two years.

The imports were the highest since 1949, the department reported.

Moore-McCormack takes over PAB ships in ceremony at Portland

In a ceremony at Portland, Oregon, Moore-McCormack Lines, Inc., took over the first of four large, fast cargo vessels recently purchased from Pacific Argentina Brazil Line, subsidiary of Pope & Talbot, Inc., San Francisco. The PAB Line ships, which operated between West Coast ports and the East Coast of South America, became a part of Moormack's Pacific Republics Line service, also in the same trade route.

The first result of this integration, according to D. B. Geddes, Mooremack vice president in charge of Pacific Coast operations, is the stepping up of service to the Caribbean and South America from one sailing a month to a sailing every two weeks.

Mooremack, third largest American-flag shipping company, already has augmented its staffs on the Pacific Coast in line with its intent "to provide not only frequent sailings but the finest possible service to the Caribbean and the East Coast of South America," Mr. Geddes said.

He also said that expanded pier facilities, utilizing the most modern freight-handling equipment, have been arranged for in some of the West Coast ports.

Mooremack is represented in Seattle and Portland by American Mail Line and in Vancouver by Balfour Guthrie (Canada) Ltd.

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Iced coffee on the West Coast

(Continued from page 9)

One answer is that the roaster who has both regular and instant should promote both for iced coffee.

There is some opinion that the growth in the consumption of instants will contribute to the use of iced coffee. Those who are actively promoting iced coffee feel that as the impact on the public increases, iced coffee should become as common as iced tea. Promotion of the idea is very new, and it takes time to develop. The ptoential could be even greater than tea because of the universal use of coffee.

If advertising funds of roasters were centered on iced coffee for the hot summer months, the combined effects of these expenditures could well rival some of the advertising money spent for other cold beverages,

Some roasters will do a certain amount of advertising of their iced coffee both by radio and store displays. One has said that there is evidence of more sales of iced coffee in the valley areas of Califronia, Arizona, New Mexico and Texas. Opinion is that with the increased use in instants there will be more iced coffee.

Another concern, which distributed door-to-door at one time, recommended preparing iced coffee by first making cubes of boiled coffee, then putting them in a glass and pouring hot coffee over them. They are not particularly active in the promotion of iced coffee now, but believe that there are possibilities outside of the San Francisco Bay area.

At the extreme of this opinion are roasters who have no enthusiasm for the promotion of iced coffee who believe that if they did do any thing on it, it would be with their ground coffee. They say iced coffee could even compete with their regular coffee, for is it not aroma and flavor they are advertising? Many of the roasters are also interested in promoting their brand of tea. Iced coffee would compete with their iced tea, they think, and they would be no better off.

It is natural that there should be this divergence of opinion in so new a promotion. With time, experience will reveal the full potentials of iced coffee.

Suffice it to say that it is making headway, and as the success stories come out others will follow, and the promotion of a cold drink should make a better advertising appeal on a hot day than a hot drink would. Once the dull summer months for the sale of coffee improve and the curve turns upward, those who have doubted the possibilities of iced coffee will join the promotion parade.

McKiernan on official NCA

visit to African countries

John F. McKiernan, president of the National Coffee Association is on a goodwill tour of African coffee-producing countries.

Mr. McKiernan received official invitations to visit these areas from the governments of France, Britain, Belgium, Portugal and Ethiopia.

The coffee-producing areas he is touring include the Ivory Coast, the Belgian Congo, Angola, Ruanda Urundi, Uganda, Tanganyika, Kenya and Ethiopia.

He will also visit, Lisbon, Brussels, Paris and London.

Editorials

75 years of service

This month, 75 years ago, the New York Coffee & Sugar Exchange was born.

The very nature of that event seems to have given shape to the essential character of the Exchange, apparent in the three-quarters of a century which followed.

The Exchange was born as a bulwark against chaos.

The years just before the Exchange came into being were disastrous ones for coffee. Grim 1880 was a "year of great coffee failures." Long established coffee firms toppled into bankruptcy. No one knew who might be next

Out of that somber experience came the thinking which gave birth to the Exchange.

When the first "call" was opened on March 7th, 1882, in the temporary headquarters at 135 Pearl Street, machinery to assist orderly marketing and prevent new chaos became available to coffee men.

Down through the years, the Exchange has developed and expanded in the direction set by its birth—service to the coffee industry and, since 1914, the sugar industry.

It has helped develop a time-tested system of trading, one with maximum safeguards to all segments of both industries—growers, importers, brokers, processors and distributors—and to the consuming public as well.

From the material on the Exchange presented elsewhere in this issue, one big fact emerges:

The Exchange is like a barometer. It doesn't make prices; it only indicates them.

The Exchange is just a marketplace. Buyers and sellers meet there to trade in futures based upon the actual commodities.

The Exchange doesn't set prices any more than a barometer determines the weather.

Yet this fact is not too well or widely enough understood. The lack of understanding is costly. It opens the way, for example, to government investigations which seem to spring from the premise that the barometer *does* make the weather.

Through the basic operation of hedging, the coffee or sugar man can protect himself against price changes which might otherwise be disastrous.

An industry without such insurance would necessarily be far more volatile and unstable, with repercussions that would make themselves felt violently in price and availability of the product.

Within the coffee industry itself, understanding of the hedging function—and utilization of it—is not universal. Many coffee men who might well take advantage of opportunities in futures trading don't do so, as yet.

During the course of this diamond jubilee year, the New York Coffee & Sugar Exchange will be spreading a wider and deeper understanding of what it is and what it does.

Such increased understanding will help solidify the foundation for even greater service by the Exchange in the years to come.

How to sell more iced tea

Want to sell more iced tea this season?

Make sure you're at the Biltmore Hotel on April 24th at 3 p. m.

That's when the 1957 Midyear Meeting of the Tea Association of the U. S. A. gets underway.

Everything else being equal, whether or not you're at the Midyear Meeting can make a difference in the volume of iced tea you move this summer.

For one thing, there's the industry advertising for iced tea. It's going to be different this year.

Sure, you can pick up the facts from reports available to you—in these pages, among other places—after the meeting. But in addition to the facts there's the *feel* of the promotion, the kind of thinking which created it—and which can inspire more enthusiasm and better results all

the way down the line, in your own organization.

For another thing, there's the 1-2-3 campaign on iced tea for restaurants, a development so simple, so "right," you wonder why no one came up with it long before.

At the Midyear Meeting you'll get the details on 1-2-3 for iced tea—exactly what it is, if you don't know already, and the merchandising aids available to you and your salesmen for your public feeding accounts.

In addition, the Midyear Meeting will see the revamped FMC automatic teamaker now ready to go into production for restaurants, and will hear about the plans to merchandise it to those outlets.

These are some of the reasons—not all by any means—why your attendance at the Midyear Meeting can make a difference in your iced tea volume.

Importers
to the Tea Trade
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MEMBER: TEA ASSOCIATION OF U.S.A.

new instant tea aims at national market

Something new—at least nationally—has entered the tea merchandising picture in the United States market.

Formation of American Brands, Inc., a new corporation to market "exciting new products in the food field", was announced last month.

The first product to be introduced nationally will be "2 Sec'n Tea", which the company describes as an instant liquid pure tea concentrate.

The concentrate, the company says, was successfully test-marketed on a large scale regionally under a private label for four years.

American Brands did not state what private label brand was used in the four-year test, but trade sources indicate it was the bottled liquid tea concentrate promoted in the New York market.

American Brands stated that the product is manufactured by a secret process.

2 Sec'n Tea seems to differ from the "test market" product in that the lemon flavoring has been removed. Consumers who now want the lemon must add it themselves.

The new product also contains sugar—it's presweetened—and 1/10 of 1% benzoate of soda for a preservative.

The product is aimed squarely at the iced tea market. The "2 Sec'n" portion of the name is explained on the label this way: "Iced tea in 2 seconds."

Industry observers see a number of developments likely to flow from the introduction of the new concentrate:

1. New and vigorous merchandising may be on the way for the product. The board of directors of the company is studded with advertising, market research and television people.

2. Interest on the part of tea packers in developing their own instant or soluble tea will be stimulated. It is an open secret that big packers have such research underway.

3. Instant teas now on the market, and there are several, might be stimulated to more intensive promotion. At least one such product has been advertised rather heavily in past seasons.

Old line packers are not disturbed by the introduction, on a national basis, of the new tea concentrate. One packer executive said the reason was simple. The new product, he indicated, is not close enough to the flavor, aroma and quality of a good glass of iced tea to pose a threat.

Another tea man, whose company handles coffee too, expressed similar opinions, but added ruefully that his people had figured wrong, for about the same reasons, on instant coffee.

2 Sec'n Tea was introduced to the food trade at the National Food Brokers Association convention in Chicago

The product has been licensed to American Brands, Inc., for distribution nationally and internationally. The company is currently setting up exclusive territorial franchises with brokers.



The young lady holding the jar of 2 Sec'n Tea is Bess Myerson, former "Miss America" and now a TV personality, who is a director and vice president of American Brands, Inc., marketers of the new tea.

David G. Lyon, chairman of the board, is well-known in advertising and marketing circles. He was with the Raymond Spector agency and was senior vice president of Cecil and Presbey.

Arnold Fink, president of American Brands, is the former president of Globe Canteen, Inc., and is said by American Brands to be the developer of the secret process for 2 Sec'n Tea.

Mr. Fink will do the tea buying for the company, it was stated

A glamorous addition to corporate life is Bess Myerson, former "Miss America", and one of television's highest-paid stars, who is a director and vice president of the new corporation. She will play a prominent role in the company's advertising and merchandising plans, it was stated.

The board of directors comprises Sol Chalek, president, Associated Food Stores, Inc., New York City; George Weissman, vice president, Philip Morris, Inc.; Dr. Walter MacLinn, head of the department of food technology, Rutgers University; Kellogg Birdseye, son of Clarence Birdseye, marketing director of the Puerto Rico Economic Development Commission and formerly associated with the new products division of Grand Union; and Leo Nejelski, president of the market research firm bearing his name and former director of advertising and sales for Swift and Pepsodent.

Discussing the new product, Mr. Lyon stated that the per drink cost, either iced or hot, would be the equivalent of tea made in the conventional manner. However, Mr. Lyon said, "for homes, restaurants, institutions and fountains, there are tremendous savings in labor and time, as well as the no wastage factor. The sales results in the New York area, where volume was at a national annual rate of \$5,000,000 and where the product was successfully sold in all the leading chain stores, are encouraging as we enter national distribution".

(Continued on page 76)

A new idea to help you sell restaurants-

NEW 1-2-3 METHOD ICED TEA IN

Simply multiply this formula by the NUMBER OF GALLONS of iced tea required



Boil...
quart of water

It's the easiest, most convenient, most foolproof way yet found for making Iced Tea in any quantity!

BETTER QUALITY CONTROL ...

No guesswork, no variation in flavor. It's the best Iced Tea every time, because you use the same basic 1-2-3 recipe for any quantity.

BETTER QUANTITY CONTROL...

Now it's easy to make a batch for an entire meal, or just an extra batch.

LESS WATER TO BOIL AND HANDLE...

Only one quart of water to boil for every gallon of Iced Tea. This saves time, reduces handling hazards.

LESS ICE NEEDED ...

Only one part hot tea is added to three parts cold tap water, automatically cooling the mixture to room temperature. Tea can be kept at room temperature up to 4 hours and iced when served.

AS YOU CAN SEE, THIS NEW 1-2-3 METHOD IS JUST THE THING FOR YOUR RESTAURANT CUSTOMERS. SO START SELLING THEM THE IDEA RIGHT NOW! IT'S A SURE WAY TO HELP THEIR BUSINESS—AND YOURS.

FOR MAKING ANY QUANTITY

+

Pour over ...

2

ounces of tea, steep 6 minutes, stir and remove bags +

Pour into...

3

quarts of cold

This recipe card gives the exact formula and instructions for any amount from 1 to 10 or more gallons. It is available in quantity at actual printer's cost, as are a Salesman's Brochure and colorful displays. Send for order blank now. Address: Tea Council of the U.S.A., Inc., 500 Fifth Avenue, New York 36, N.Y.

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tea in Mozambique

By REINALDO LIMA DA SILVA, Chief Tea Survey Mission Mozambique

Tea cultivation was started in Mozambique in 1914, tea seeds being imported from the Protectorate of Nyasaland. Tea processing was, however, started ten years later, sometime in 1924.

Tea plantations, numbering 47 today, are found in only one district of Mozambique, namely the District of Zambezia, where there are at present some 12,000 hectares under tea cultivation, of which some 10,000 hectares under production, and of these some 6,700 hectares in full production capacity.

Tea plantations are quite young, mostly under 15 years, and their production in 1956 totaled 6,200 tons (metric) of manufactured tea, almost entirely sold on the London market

It is hoped with good reason that production may soon reach 10,000 to 12,000 metric tons through replanting where found necessary, better tillage and maturing of the plantations.

The District of Zambézia offers great possibilities for development and extension of tea cultivation to new regions, which certainly could contribute to increase the area actually under tea cultivation by several tens of thousands of hectares.

Tea cultivation in Mozambique is practiced over regions lying some 400 to 1,200 meters above sea level, comprising sundry ecological conditions and which permit, besides the production of "fillers," the output of fine teas able to satisfy the most exacting of tastes.

On the other side, the general tendency for the establishment of new plantations and replacement of the old ones with good "jats" of Indian tea and local improved tea, and

ctares, un egions up orising wat ble to yea estabequal tones bei a, and of the



The U. S. Board of Tea Experts setting standards for the coming year. From left: Joseph G. Vaskas, tea buyer for the Great Atlantic and Pacific Tea Co.; G. T. McNally, plant manager, Thomas J. Lipton, Inc., Streator, Ill.; Albert Guarino, director, Irwin-Harrisons-Whitney, Inc.; Alexander J. Grille, assistant buyer, Henry P. Thomson, Inc.; Edward Bransten, M.J.B. Co., newly appointed to the board; and Robert H. Dick, Food and Drug Administration. Mr. Vaskas, named chairman of the board for 1957, is marking his 40th anniversary in the tea industry.

the constant improvements introduced in the cultural techniques and those of manufacture—these are the guarantee for future production of good quality teas. Such quality is, undoubtedly, favored by the existence of very propitious ecological conditions.

At present, there is no tea experimental station in any Portuguese territory for support of plantations, hence the techniques adopted are based upon results of experiments made in other countries, principally in the neighboring territory of Nyasaland, adapted to the peculiar conditions of Mozambique through the long practice of some growers and managers of tea estates.

It is foreseen that with the establishment of a tea experimental station and other development measures to be followed by the state, tea cultivation in Mozambique should come to increase considerably in the future. The manufactured product holds a significant place in world markets, which is assured through splendid conditions of climate and soil, the best incentive for capital investment.

There are 15 tea factories in operation and two others under construction, most of these factories having sprung up after World War II in a surprising way and it is estimated that with the increase of the area under tea cultivation, more tea factories will be established within a few years.

Almost all the tea factories are quite new, with recent equipment; in the older factories, too, the equipment is being gradually modernized. The equipment is essentially of British make, "Sirocco" and "Marshall," and almost all the machinery is of the standard type.

Mostly black tea is processed, largely for export abroad, and a very small quantity of green tea is also made, mainly for domestic consumption.

The manufacturing process is usually of the orthodox type, in accordance with characteristics demanded by the London market, but the factories are also prepared to turn out other types of tea, for the American consumption market.

Black tea is generally processed in the following types: Orange Pekoe, Pekoe, Broken Orange Pekoe, Broken Pekoe, Broken Pekoe Souchong, Fannings and Dust.

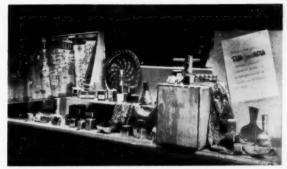
Tea production is seasonal, attaining the peak output in the rainy period; production is directed by European and Indian technicians and has all the characteristics of the teas from Northern Indian.

Because of the characteristics of the existing tea plants—hybrids of local types—much of the tea produced is for filler use, and it has been internationally sold for this purpose, but with new plantations with improved teas and the existence of good factories, Mozambique may produce tea of any quality to satisfy the demands of any consuming market.

Mozambique teas have been noted, chiefly for their strong (Continued on page 76)



One of the tea displays set up in the Plainfield, N. J., branch of L. Bamberger & Co., Inc. Tea promotions were held not only in food departments but also in gifts, housewares and furniture.



One of the windows in the tea promotion display set up by the Thalhimer Department Store, Richmond, Va. Seven windows were devoted to tea, including one each to India, Ceylon, Indonesia.

special events for tea

What's happening in industry-level publicity for tea? Usually a lot more than the average tea man is aware of—unless he happens to be in the middle of one of the special events for tea which seem to take place in one city or another across the country month in and month out.

These events differ. They range from a tea instruction sequence on a top national television show for homemakers (as in the example cited below concerning Charles F. "Hutch" Hutchinson) to tea displays and demonstrations in department stores (as in the L. Bamberger, Plainfield, N. J., promotion).

Yet the events have several aspects of keen interest to all tea men.

Tie-ins in department stores open new areas for promotion

New areas of promotion and direct consumer interest in tea have been created by the Tea Council with department store tie-ins during "Take Tea and See Week."

One case in point is the storewide promotion in the Plainfield, N. J., branch of L. Bamberger & Co., where special promotions were conducted in the gift, housewares and furniture departments, as well as in the food shop and restaurant.

In addition to tea, teapots, tea kettles, china and linen sets, tea tables, etc., were a few of the items that benefited from the "Take Tea and See Week" tie-in.

In addition, the store's lunch room made good use of special tent cards which were attached to the menus, and the restaurant manager received personal directions for the preparation of tea in restaurants from a Tea Council representative.

A demonstration table was set up at the entrance of the store where Lea Kates, director of consumer services for the Tea Council, showed an audience of more than 500 how to prepare a tea concentrate for a crowd. Four such demonstrations took place during the day.

Many Tea Association and Tea Council members, as well as the consuates of India, Ceylon and Indonesia, provided

They help carry forward the industry's story on tea.

In many instances, the events open opportunities for packers who apply some initiative to give a fillip to brand sales.

Especially, the events represent cooperation. They come about through cooperative effort by the Tea Council, the Tea Association, individual members of the tea trade and representatives of producing countries, such as the India, Ceylon and Indonesia consulates.

The events reported here are in no way a comprehensive round-up, but examples only, to indicate the kind of lesser special publicity helping to sell tea almost continuously during the year.

the store with unusual teas, background props and a variety of other articles and items for display or demonstration purposes.

George Mitchell takes tea for Richmond, Va., to see

George Mitchell made a personal appearance in Richmond, Va., recently, to be interviewed on radio, on television shows and by three newspaper columnists, as well as by the Virginia Foodman and Southern Planter.

The occasion for his visit was the Thalhimer Department Store's "Take Tea and See Week" promotion. Seven store windows stressed the romance of tea by devoting at least one window each to India, Ceylon, Indonesia and China.

Other windows carried factual information, i.e., the "four golden rules" for brewing tea and informative photographs pertaining to the tea industry.

The storewide "Take Tea and See Week" tie-in promotion included a Bride's Fashion Show, after which the audience attended a "wedding tea reception" in the store's fourth floor china department. The "bride and groom" cut and served an enormous wedding cake and gallons of delicious

champagne tea punch, developed by the Tea Council's consumer service department.

An added attraction at the reception was a Tea-Orama displaying a number of tea tables for a variety of occasions.

Accelerated course in tea on NBC TV "Home" Show

NBC-TV's coast-to-coast Home Show starring Arlene Frances recently gave American viewers a 35-minute accelerated course in tea and tea-tasting.

Charles F. "Hutch" Hutchinson, former U. S. Supervising Tea Examiner, gave detailed explanations of tasting, blending and the tea standards maintained by the industry.

Entertainment was provided by two Indonesian dancers.

Two recipes using tea as an ingredient were demonstrated by the Home Show's chef and home economist.

Arrangements for time on the show and coordination of the tea equipment and entertainment were made by the Tea Council.

Tea brewing on TV

Lea Kates, Tea Council director of consumer services, recently made a personal appearance on Newark, N. J.'s Station WATV.

Twenty minutes of the 30-minute show were given over to the Tea Council's educational themes on brewing tea for two or a crowd, in addition to the showing of the film, "Tea for Twenty."

Iced tea brewing instructions reaffirmed;

urge "family size" bags come into line

Established iced tea brewing instructions for restaurant and home use have been reaffirmed by the Tea Association's Brewing Committee, chaired by Rob Compton, of Bingham & Co., Inc.

The committee also urged that "family size" tea bags conform with standard instructions.

The committee reviewed the brewing instructions at the request of the Tea Association Board of Directors.

The brewing procedures reaffirmed by the committee are as follows:

Iced tea for restaurant use—two ounces to one gallon of water, or approximately 160 glasses to the pound.

Iced tea for home use—Seven to eight tea bags to one quart of water, or approximately 135 glasses to the pound.

The committee emphasized two points on the "family sized" tea bag:

"1. The desirability of more standardization in packaging and standard instructions that conform with those approved by the Tea Association.

2. The cubic capacity of the bag itself should be large enough to allow full extraction of the leaf."

Salada Tea names new ad agency

The Salada Tea Co., Inc. has appointed Sullivan, Stauffer, Colwell & Bayles, Inc., as its United States advertising agency, effective June 1st, 1957.

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TEA IMPORTERS

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enzymes in tea leaf

By E. L. KEEGEL, Technologist Tea Research Institute of Ceylon

For the tea man with curiosity about his product—who wants to know WHY teas have particular characteristics—this article—Part 2 of a series—can be enormously revealing. It explains some of the chemistry which makes for differences, down to the molecules.

The article, excerpts from "Tea Manufacture in Ceylon," appears here by special arrangement with the Tea Research Institute of Ceylon, St. Combs, Talawakelle. The Institute issued Mr. Keegel's comprehensive and authoritative 163-page monograph, fourth in a series on tea production in that country

Enzymes are natural ferments contained in the tea leaf. They possess most remarkable powers, for despite the fact that they exist in the most minute quantities, they can change many thousands of times their own weight of the chemical substances upon which they act, without loss of power. Somehow or other they fit into the architecture of the molecules upon which they act on a lock and key principle, and each enzyme acts as a key for one particular chemical structure ad infinitum....

Tea leaf is naturally acid, and the oxidizabe matter in it does not change appreciably until it is either made alkaline—which never happens in practice, unless limes is deliberately added to the leaf—or until it is oxidized by its specific enzyme. The enzyme with which we are at present concerned is called "tea polyphenol oxidase", and will only oxidize polyphenols with a special type of structure exactly similar to that occurring in the tea catechins. This enzyme takes up oxygen from air, unlocks a particular part of the catechin molecules, which then take up oxygen and start clumping together or "condensing".

So long as the enzyme is mixed with the oxidizable matter, as occurs during rolling, it can go on oxidizing relatively enormous amounts of material compared to its own weight.

We have carried out intensive studies of "tea polyphenol oxidase" at the Tea Research Institute and in fact gave it the specific name. It was found to have a protein (like white of egg) carrier with an associated copper compound which oxidizes on exposure to air and then passes the oxygen on to the ozidizable matter in the juice. When the copper compound loses its oxygen it is said to become "reduced". As soon as the reduced copper is exposed to air, it takes up more oxygen and so it goes on oxidizing the oxidizable matter in contact with it.

The enzyme is very closely associated with leaf tissue and it may well be that its protein is part of the leaf protein, so that it is evenly distributed right through the leaf and stalk mass, in minute quantities, but capable so long as there is sufficient aeration, of oxidizing all the

oxidizable matter which has been rolled out of the leaf cells or in any way exposed to air.

The solution wrung out of properly withered leaf is concentrated to a tacky, varnish-like consistency and stays on the surface of the twisted leaf fully exposed to air. One of the major difficulties in fermenting leaf in "Kutcha" green leaf manufacture, and of under-withering, undoubtedly arises from a lack of aeration and re-absorption of fluid juice into the leaf tissue where the aeration is limited. Over-withering on the other hand makes too concentrated a solution which will not come out of the leaf, and again limits fermentation or oxidation.

The activity of the enzyme is dependent on temperature and it is most active between 80 and 90°F. At low temperatures, below 60°F, its action is very slow, so that warmth is essential for fermentation. The enzyme is rapidly destroyed at high temperatures and its survival is limited at any temperature above 120°F. When leaf is steamed, as for instance in the preparation of green tea, the enzyme is destroyed in 2-3 minutes.

As soon as withered leaf is rolled, conditions favorable to enzymic oxidation of the oxidizable matter in the leaf are set up. The oxidizable matter in undamaged withered leaf, it will be remembered, is almost colorless, astringent and bitter to taste, possessing few or none of the characteristics which appeal to the consumer of black tea. The unfermented oxidizable matter does, however, satisfy the consumer of green tea, who prefers the pale astringent liquor derived from unoxidized matter.

The heat generated during rolling, so long as it is not excessive, that is to say, so long as the temperature in the roller does not exceed 90°F, stimulates the oxidation of the juice as it is wrung out of the leaf. Now rolling is a long slow process, and the juices are slowly extracted, so there is little uniformity in the fermentation. Some of the oxidizable matter will be oxidized during the first

New iced tea home, restaurant drives to be presented at Midyear Meeting

New industry drives to boost iced tea consumption in the bome and in public feeding outlets will be outlined at the 1957 Midyear Meeting of the Tea Association of the U. S.A.

Advertising and publicity for tea aimed at the consumer, specific campaigns for restaurants on the 1-2-3 iced tea brewing method, and details on the new production model of the FMC automatic teamaker—and plans to promote it—will be presented.

The 1957 Midyear Meeting will take place April 24th at the Biltmore Hotel, New York City.

few minutes of rolling, and will probably become overfermented by the time the leaf is fired. Some of the oxidizable matter will only be wrung out and exposed to oxidation during the last few minutes of rolling, and will probably be under-fermented at firing time. Some juice will stay in the leaf and remain unoxidized.

The under-fermented and the completely unoxidized juice retain their astringent character, and it is a moot point whether 100% complete fermentation is desirable. An excess of under-fermented or unoxidized juice will give the liquor a raw, bitter character, but small amounts may well be part of the character of good liquors. Whether pungency is a separate character or whether it is due to products of under-fermentation is one of the mysteries of tea-making.

It has already been explained that the enzyme only starts off a series of reactions by oxidizing part of the structure of the tea catechins, which then begin to clump together and "condense" to larger and more complex molecules. This appears to be a slow, continuous process, and it is the simpler of the condensation compounds which give the character to the best liquors. The simpler condensation compounds are still soluble in hot water, and in organic solvents such as ethyl acetate. As condensation proceeds, the molecules grow larger in size to form compounds much less soluble in water and almost completely insoluble in ethyle acetate. The desirable intermediate compounds are bright in color, with a strong tinge of red, in other words, the color of good tea

liquors; whereas the more complex polymers are dark and

dull, and ultimately become insoluble in water.

These desirable reddish intermediate compounds have a taste of their own—the taste of good tea. They do not entirely lose their astringent character and the modified astringency may be what we call pungency

The aim of tea manufacture must, therefore, be to wither and roll the leaf so as to get the major part of the oxidizable matter oxidized to the red intermediate compounds and to stop the fermentation by firing before too much condensation has taken place.

Other substances present in the leaf, however, have considerable influence on this equilibrium point.

Tea standards issued for coming year

by Food and Drug Administration

Tea standards for the year beginning May 1st, 1957, have been announced by John L. Harvey, Deputy Commissioner of Food and Drugs.

The standards were recommended by the U. S. Board of Tea Experts, and apply to tea shipped from abroad on or after May 1st.

Six standards were set:

1. Formosa oolong.

- 2. Java black (for all black tea except Formosa and Japan black and Congou type).
 - 3. Formosa black (Formosa black and Congou type).
 - 4. Japan black.
 - 5. Japan green.
- 6. Canton type (for all Canton types including scented Canton and Canton oolong).



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Tea Movement into the United States

(Figures in 1,000 pounds)

Black	Dec. 1955		Jan 1956	Feb. 1956	March 1956	April 1956	May 1956	June 1956	July 1956	Aug. 1956	Sept. 1956	Oct. 1956	Nov. 1956	Dec 1956	Year 1956	Jan 195
Cevlon	2,153	38,564	3.906	3,008	5.036	4,954	3,270	3,331	3,530	4,635	3,354	3,880	1,535	2,433	42,871	3,103
India	4.166		3,537	3,259	3,937	4,264	2,572	1,989	1,566	1,751	1,546	2,988	1,738	2,572	31,719	3,909
Formosa	571	3,630	265	189	93	60	141	623	413	204	583	646	432	529	4,179	533
Africa	365		308	343	378	495	200	384	529	349	232	349	282	532	4,384	40-
Indonesia	850		1.499	970	689	1,279	635	1,017	1,242	951	1,436	740	916	1,117	12,492	1,60
Japan	139		145	134	108	64	36	51	67	103	49	6	30	11	803	3
Misc.	92	4,838	196	123	167	50	248	91	75	126	118	94	99	197	1,589	25
Green																
Japan	151	1,722	249	40	116	60	82	82	298	978	251	482	248	38	2,924	75
Misc.	21	150	11	5	29	5	8	10	* * *	10	43	21	31	4	177	
Oolong																
Formosa	35	303	18	16	21	6	15	16	13	33	55	37	36	39	306	28
Canton	7	91	5	2	1	2	1	1	2	5	4	16	17	9	65	2
Sentd Cntn	3	73	8	3	2	7	7	6	3	3	3	9	3	10	63	
Mixed	4	121	7	7	3	7	12	4	5	9	26	21	5	15	121	1
TOTALS	8.557	105,481	0 154	8 104	10,580	11.253	7,227	7,605	7,743	9,157	7,700	9,289	5.372	7.506	101.692	9.97

Figures cover teas examined and passed, do not include rejections. Based on reports from U. S. Tea Examiner.

India tea sales at all-time high

India's tea sales—abroad and at home—reached new peaks last year.

India's tea sales abroad soared last year, bringing in more than £100,000,000 (\$280,000,000) in foreign earnings—an alltime record.

A government announcement said the boom more than recovered the temporary setback suffered the preceding year, when earnings were about £20,000,000 lower.

"The most remarkable fact about the 1956 tea situation is the reported absorption of over 200,000,000 lbs. by the Indian market," comments Planting & Commerce. Ernakulam, India." To what extent this represents consumption is not known.

"It was only a few months ago that the Minister of Commerce stated in the Lok Sabha that the consumption of tea estimated for 1955 was 184,00,000 lbs. At one extreme of the range, the internal demand position of 210,000,000 lbs. is considered possible.

"Even at 200,000,000 lbs., the sudden jump in Indian consumption is 16,000,000 lbs. over the 195 offtake."

Ceylon ups tea export tax

The Ceylon government has increased the export tax on tea 50 Ceylonese cents (14.465 United States cents) for every 100 pounds. The new tax, 2 rupees 20 cents (46.04 United States cents) on every 100 pounds, became effective February 23rd.

Ceylon's exports of tea average 270,000,000 pounds a year.

Minister of Commerce R. G. Senanayake, explaining the increase to Parliament, said the increased levy was largely designed to bear the extra cost of tea promotion campaigns in the United States and other Western countries

India and Indonesia already have agreed to increase their contributions to a joint tea campaign in the United States, it was stated.

Nyeri tea factory nears completion

A £55,000 tea factory, focal point of one of the most ambitious schemes for the development of African farming in the Central Province, is nearing completion at Kanjari, in the Mathira division of the Nyeri district, reports the Tea and Rubber Mail, London.

The factory will provide a commercial outlet for the scheme to plant 5,000 acres of tea in ten years on individual Kikuyu smallholdings all over the Nyeri district. The scheme, which includes the provision of roads, nurseries and transport, is controlled by a board, including W. P. Pyke, the government officer in charge of African tea growing in the Central Province,

Near the factory are 22 acres of tea on experimental plots run by the Department of Agriculture. These and other experimental plots in various parts of the district have proved successful. Already 172 acres of tea have been planted on half-acre plots on African farms, and it is planned to plant another 312 acres in 1957.

A ten-acre nursery maintained by the department contains 1,500,000 seedlings.

Kikuyu smallholders buy their tea plants, which take four years to reach maturity, from this nursery.

Punjab tea industry faces crisis

As a result of competition from Japan, the Punjab tea industry, is faced with what is officially described as a "virtual collapse".

In tea plantations and factories in the Kangra Valley and in the godowns of Amritsar merchants, large stocks of green tea have accumulated.

This type of tea has for decades been the favorite beverage of the people of Afghanistan.

Except for the small quantities consumed locally, Afghanistan has been importing almost the entire produce of the Kangra tea gardens. In return, Afghanistan sold India dry fruit. The entire trade was through West Pakistan.

Recently, however, Japanese planters of green tea have entered the trade and have ousted the Kangra producers.

Tea Council team tours country for new 1-2-3 iced tea brewing method

A Tea Council team is touring the country to promote the new 1-2-3 method for brewing iced tea in restaurants and institutions.

On the team are Mort Adams, director of mechandising for the Council, Oscar Gorenflo and Thomas Griffin.

They are calling on packers, importers and brokers, are arranging sales meetings with packers' salesmen, and—where indicated—are making calls on public service outlets.

The 1-2-3 method for making iced tea was enthusiastically endorsed by the Tea Association's Restaurant Committee.

Here's how the method works: For *one* gallon of iced tea—pour *one* quart of boiling water over *two* ounces of tea and add to *three* quarts of cold tap water. The tea should be steeped six minutes.

For larger quantities, simply multiply the number of gallons desired by the "1-2-3" for the boiling water, the tea and the cold tap water.

For example, to get two gallons of iced tea, you would need two quarts of boiling water, four ounces of tea and six quarts of cold tap water.

The Tea Council team will visit 37 of the top metropolitan markets in the U. S., plus 17 other markets, including military food service schools.

A 1-2-3 iced tea dial chart has been developed to promote the new method in public feeding outlets.

The campaign will also be supported by recipe cards,

salesman's brochures, die-cut back-bar pieces, back-bar strips, menu tip-ons and 32-inch iced-tea-glass displays.

Junior Board to tell more states

about Tea Association buying aid

The Board of Directors of the Tea Association has given the green light to a plan by the Junior Board to let more states know about the assistance available to them from the Tea Association on procurement.

The two-pronged plan, calling for an initial letter to state purchasing agents, with follow-up material to those who reply, will now get underway.

Junior Board Chairman William Congalton will set up a standing committee on government bid procedures, to work with the Tea Association in carrying through—and expanding—the program.

"Jock" Haigh joins Gibbs & Co.

John C. (Jock) Haigh has joined Antony Gibbs & Co., Inc., New York City, tea importers and agents.

For five and a half years, Mr. Haigh was with L. D. Seymour & Co., Inc., where he held the position of vice president.

Mr. Haigh is well known to tea people on both sides of the Atlantic. He started in tea in London in 1935 with Pierce, Leslie & Co., Ltd., and two years later went to South India for them, remaining there for 13 years. He came to the United States early in 1951.

At Antony Gibbs & Co., Inc., he is working with David Sinclair, manager of the tea department.

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Ocean freight rates on tea

Ocean freight rates on tea from the leading exporting countries have been compiled by the Tea Association's Trade Relations Committee, headed by Allan McKissock, Jr., of Standard Brands, Inc., for the association's bulletin.

The rates were the latest in effect last month, when

the compilation was put together.

From Calcutta: to U. S. A. East Coast, \$44.00 per ton of 50 cubic feet weight or measure (surcharge of 15% effective as of February 13th, 1957; to U. S. A. West

Coast, \$34.50 per 1,000 lbs.

From Ceylon: to U. S.A. East Coast, \$35.25 per ton of 40 cubic feet weight or measure (surcharge of 15% effective as of December 15th, 1956, East Coast only; surcharge to be dropped February 14th, 1957, and rate increased to \$38.75); to U. S. A. West Coast, \$34.50 per ton of 40 cubic feet weight or measure (all inclusive of current surcharges and rates increase as of February 15th, 1957).

From Africa: to U. S. A. East Coast, \$36.50 per ton of 40 cubic feet weight or measure (rate increase of 10% effective April 1st, 1957); to U. S. A. West Coast, \$48.00 per ton of 40 cubic feet weight or measure.

From Java (Djakarta, effective February 1st, 1957); to U. S. A. East Coast, \$38.75 per cubic meter; to U. S. A.

West Coast, \$38.00 per cubic meter.

From Japan (effective through March, 1957): to U.S.A. East Coast, \$27.50 per 40 cubic feet, or 2,000 lbs., ship's option; to U. S. A. West Coast, \$18.000 per 40 cubic feet or 2,000 lbs., ship's option.

to U. S. A. East Coast, \$35.00 per ton of 40 cubic feet weight or measure (export surcharge 6.8% to local government; rate increase of 15% effective May 1st, 1957); to U. S. A. West Coast \$29.00 per 40 cubic feet or 2,000 lbs., ship's option.

From England: to U. S. A. East Coast, 217/6d per 2,240 lbs., or \$30.45 (rate to East Coast will be increased April 1st, 1957 to 240/-per 2,240 lbs., or \$33.60); to U. S. A. West Coast, 147/6d per 40 cubic feet, or \$20.65 (rate to West Coast will be increased on March 1st, 1957, to 165/- per 40 cubic feet, or \$23.10).

Tea Club sets March meeting

The Tea Club of New York, informal organization of tea people in the metropolitan area, is planning a gettogether on March 20th at the Antlers on Wall Street.

A short talk on the wild life of the Maine coast, illustrated by a color movie, will be given by Carl W. Buchheister, senior vice president of the National Audu-

George Mitchell is president of the Club, Norman Langer vice president, Stanly Mason treasurer and Elaine Kroner secretary.

New England tea club to hear Weston

The Tea Trade Club of New England will hold a dinner meeting on March 19th at the 99 Club, 99 State Street, Boston.

Guest speaker will be George F. Weston, Jr., who From Formosa (effective through April 30th, 1957); will talk on "Boston Common and Boston Preferred."



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Says proposal to nationalize Ceylon tea industry could kill "goose that lays golden eggs"

A plan to nationalize foreign-owned tea estates is being urged upon the Ceylon Cabinet by Philip Gunewardena, Minister of Food and Agriculture.

The essence of the plan is to compensate owners at about £70 an acre, involving a total outlay of some £18,000,000, and to recover this sum by levying a tax of 1d. a pound on all tea exported. It now takes about £300 to lay down an acre of tea.

"It is by no means certain that Mr. Gunewardena's counsels will prevail in the Cabinet," comments the Frinancial Times." Indications are that the Prime Minister, Mr. Bandaranaike, is unconvinced of the

wisdom of nationalizing the tea estates, at least at this time.

"If the proposal were to be debated and decided on purely economic grounds, it would probably not proceed very far. There are other and more urgent tasks to be performed than transferring the tea plantations to public ownership, and Mr. Gunewardena's scheme would be a sad and foolish misuse of energy and resources needed for other development.

"Moreover, if the estates were to be run less efficiently by the government than by the present owners—a distinct possibility, to say the least—there could be an unpleasant impact on Ceylon's foreign exchange earnings, to which the tea industry is the most important contributor."

The Tea and Rubber Mail, London, points out that prime minister Bandar-

anaike has already made it clear that the program of his government was a long term one, and the intention was to proceed to national or enforce state control of services and industries where such action was demonstrably in the interests of his country.

"The scheme for the taking over of land by the state would be evolved on the experience gained from earlier nationalization projects, which were to be carried out in stages," the Tea and Rubber Mail comments.

"There was no intention to snatch away over-night foreign-owned estates. No schemes of nationalization would involve expropriation, the government and the Socialist Party being opposed to such an act.

"It was the government's intention to discuss, with organizations representing owners of land and estates, the methods with which it was proposed to introduce nationalization, together with objections and alternative proposals. Any scheme contemplated would involve just and fair compensation.

"On those last words alone the plan now to be submitted by the Minister of Agriculture is unacceptable. The proposal to compensate the tea estate owners at the rate of Rs. 925 (£69 7s. 6d.) per acre is neither just or fair, when it is generally acknowledged that replanting alone costs between £250 to £300 . . .

"In evolving the scheme, the Minister has appeared to pay greater heed to public opinion, and overlooked the fundamental importance to his country and its tea industry of maintaining contacts with the powerful tea selling industries of the Western world. He has appeared to forget that nationalized tea estates will need Britain's market and capital, and of equal importance, the technical skills which the foreigner now uses in operating the estates and producing the leaf—now famous the world over.

"It would be an act of suicide on the part of any government, to use that old proverb—'to kill the goose that laid the golden egg.' Therefore, it appears that it would be wise for all to take the advice of Sir Eric Macfadyen who over 12

months ago said: "'Every effort should be made to maintain the high standards expected in the directing and management of estates in Ceylon. It is not sufficient for an estate to be run to the satisfaction of the shareholders. Today, every advantage should be taken of modern technical and horticultural knowledge and the latest, if proved, machinery, should be installed. Only the technical skill of the West can provide these factors, and no government consisting of intelligent men would willingly cut the channels through which this invaluable source to the well being of their country can be obtained.'

"In Britain nationalization has been tried in recent years. Railways and coal are still state owned, but even the most stout-hearted quailed at disturbing the free running of that most important industry—steel.

Tea to Ceylon represents over half her exports—an industry not to be tampered with lightly."



"Coffee packaging is over standardized"

By SAUL NESBITT, Director Nesbitt Associates

Nesbitt Associates, New York City, are package and product designers. Work by Mr. Nesbitt has been featured in leading packaging magazines, and his comments on packaging problems and merchandising trends have appeared in top food and business publications.

The battle of coffee brands continues to mount in space and billboard advertising and in radio and TV commercials. But there is one sales front where this battle has evolved into a stalemate. That is in the coffee departments of supermarkets and independent grocery stores. Why? Packaging of coffee has become over-standardized to the point where brand individuality and merit and appeal are swamped in a sea of similarity of colors and designs.

The prevalent and boring standardization of coffee package design indicates that coffee marketers are either overlooking or grossly discounting the power of imaginative packaging to create impulse sales and develop broader market acceptance and plus-markets for their brands.

In the light of today's general high level of point-ofpurchase merchandising, the average coffee package is a vapid sales medium. Aside from its basic function of merchandise conveyor, it merely serves to identify—and in nondistinctive fashion—the brand or processor's name. In short, coffee labeling is almost as "tight and restricted" as the actual coffee can or glass jar.

Color-wise, the average can or jar is incapable of achieving counter or shelf dominance in the retail coffee department. There seems to be an unwritten law that coffee packages must be a sharp red, uncompromising blue and, in a few instances, flat yellow. And there seems to be a tacit understanding that design must be limited to a time-worn trademark or logotype.

The situation today is such that the average coffee container in itself creates little or no brand preference on the part of the shopper. It does not imply coffee taste or flavor—it does not represent the product's aroma. A brand's particular merit or advantage is *undersold* at the point-of-purchase because the package, the product's final and most enduring presentation, is inarticulate. With but one or two rare exceptions, the brand's particular appeal fails to achieve impact through ineffectual packaging promotion.

Apparently coffee processors and packers do not appreciate how *superbly conditioned* their market is for imaginative package-merchandising and for aggressive expansion. Coffee has become the great American beverage. Coffee has become to America what wine is to Italy and beer is

to Germany. And there are vast untapped sales potentials which may be grasped by coffee marketers who are determined that their particular brands shall "pull out ahead of the pack."

To achieve this they will have to begin to put the accent on package-promotion—place as much emphasis on their point-of-sale merchandising as they do their pre-selling operations via space, radio and TV. In other words, they will insist upon packaging that bespeaks the merits and advantages of their respective brands.

As they are at present, coffee containers are but "mute purveyors" of a widely used food product. Their tedious monotony in styling, color, theme and design—even the most heavily advertised brands—make for the most feeble impact at the point-of-sale.

As it has and is now doing for other food products, imaginative packaging can create a definite "brand personality" for a coffee. However, coffee marketers have continued to ignore the fact that the articulate, graphic and memorable package—one that reproduces strikingly in all visual media—can also prove a priceless asset in the pre-selling operation.

Another baffling mystery is the industry's general apathy



This polyethylene inner-coated bag is for Tenco Instant Coffee going to the vending machine. market. The bag was made by the Shellmar-Betner Flexible Packaging Division of the Continental Can Co., Mt. Vernon, Ohio. and lack of foresight in developing plus-markets for coffee brands.

The coffee marketer with vision eventually is going to recognize and cash in on the fact that coffee has become the symbol of a new set of American social customs. To name a few:

1. Coffee breaks in business and industry.

2. Coffee conferences—so common now in business, industrial and professional schedules and programs.

3. After-church coffee invitations.

4. Morning coffee socials in suburban areas.

In fact, it is a rare social event of any kind in which coffee doesn't star as a refreshment. The astute marketer's awareness of all this will be reflected in his packaging which, besides packing the final punch at the crucial moment of shopper decision, will provide the keystone of his preselling program in visual media.

Furthermore, with an eye to expanding the market for his particular brand, he will explore all possible applications for coffee. His research will reveal new ways of preparing coffee for specific social occasions and scores and scores of recipes which require coffee as an ingredient or flavoring. Some of his research may yield ideas that may be incorporated or suggested in his package's surface design to make his product of greater interest and appeal to the housewife shopper.

In short, the objective of all his package thinking will be to get *more people* to use his brand of coffee *more often* in more ways.

Packaging Conference to weigh research for top protection at lowest possible cost

More than 1,000 specialists in packaging, shipping, traffic management, materials handling, and merchandising are expected to attend the American Management Association's 26th Annual National Packaging Conference at the Palmer House, Chicago, April 8th-10th.

The conference program will explore the entire packaging field, emphasizing the need for coordinated research, design and development to produce the maximum protection at the lowest possible cost.

Accompanying the A.M.A. Packaging Conference will be the association's 26th Annual National Packaging Exposition, scheduled for Chicago's International Amphitheatre April 8th-11th. Some 30,000 packaging, production, and marketing executives are expected to see more than 375 exhibits covering the entire scope of the industry.

In addition to packages, materials, machinery and equipment, services and accessories will be displayed and demonstrated in the South Hall and Exposition Hall of the Amphitheatre.

tea in Mozambique

(Continued from page 66)

color and taste, but a weak scent, which is now being improved, thanks to the introduction of new plants.

Exports of Mozambique tea have grown considerably over the last few years. They doubled between 1952 and 1955, rising from 2,771 to 5,540 metric tons. Over the five-year period 1951-55, nearly 50% of the exports were destined to the United Kingdom, about 20% to the United States and 16% to the Union of South Africa. These are the three best consuming markets for Mozambique tea, since Portugal and Portuguese Overseas Territories jointly do not take more than 4%.

Domestic consumption is very insignificant, for it hardly exceeds 200 tons. Considering a population of 6,000,000 individuals, the annual "per capita" consumption is only 36 grams. This population is mostly made up of native Africans.

Tea producers are all members of the Guild of Tea Planters of the District of Queliman (Grémio dos Plantadores de Chá do Distrito de Quelimane), which is destined to play an important role in the tea economy of the province. It is through this guild that the government will certainly render financial assistance to tea producers, once it is interested in stimulating the expansion of the industry.

With this end in view, the government has committed to a technical mission the task of surveying present tea industry conditions and proposing any measures considered

necessary for expansion.

In so far as propaganda in foreign countries is concerned, Mozambique producers of tea have not participated in any campaigns, but it would be highly profitable to join the Tea Council of U. S. A., Inc., just as other tea producers have done.

new instant tea

(Continued from page 63)

Extensive local advertising and promotion will support distribution as territories are opened up. Vice President Myerson will be featured in the consumer advertising.

The label was designed by Frank Gianninoto, president of the American Society of Package Designers.

For the consumer trade, the product will be marketed in pints and half pints at suggested retail prices of 69ψ and 49ψ , respectively. The 69ψ size bottle of 2 Sec'n Tea yields 32 glasses of iced tea and the 49ψ size produces 16 glasses of the new beverage.

Quart and gallon sizes will be furnished to institutions and restaurants.

American Brands seems to be setting up the institutional market as one of its prime targets. A label for bulk use calls for one quart of the product to be added to two gallons of cold water—"ice water, if you have it."

"Stir once," the directions continue, "and it's ready to serve as needed."

For individual servings in restaurants, the label suggests mixing them "just the way you mix a soft-drink. For maximum flavor, use ¾ ounce per glass. Add icewater from fountain, stir, serve. Can be dispensed from your fountain syrup well, or directly from the bottle."

The label also carries suggestions from Bess Myerson, including this one: "Ask your distributor for our handy dispenser—gives easy, accurate measurements directly from the bottle."

American Brands emphasizes that 2 Sec'n Tea should not be stored in the refrigerator, and that if it is dispensed from the fountain, the well should be washed once a week, and whenever it becomes empty.

THE FLAVOR FIELD

Section of Coffee and Tea Industries, formerly The Spice Mill

cinnamon and cassia

By E. G. BROWN, Colonial Products Laboratory

This article, the first of a series, starts in these pages one of the most comprehensive reviews of cinnamon and cassia ever published. It is from Colonial Plant and Animal Products, and is a revised, updated version of material which appeared 36 years ago in the Bulletin of the Imperial Institute.

In the more than three decades since, much of the original material became obsolete. The review of these key spices has been rewritten in the light of present-day conditions.

Historical Introduction

There has from the earliest times been much confusion in commerce as to the sources of the barks and oils known as cinnamon and cassia, a confusion that is perpetuated by the indiscriminate use by the French of the names "cannelier" and "cannelle" for the trees and their bark, whether the Cinnamomum zeylanicum of Ceylon, which yields true cinnamon, the C. loureirii of Annam, which yields Saigon cinnamon, or the C. cassia of China, which yields cassia; and by the use of such names as "Commercial cinnamon" and "Saigon cinnamon" for products which are certainly not obtained from the first of these species.

It seems tolerably certain that none of the cinnamon of antiquity was derived either from *C. zeylanicum* or from Ceylon. The very name "cinnamon," from the Arabic "mama" or Greek "amomum" (meaning spice) and the prefix "chini," Chinese, which persists in the Persian and Hindustani "Darchini," suggests the Chinese origin of the drug; and, under the name "Kwei," which forms part of several Chinese place-names, cassia is mentioned in the earliest Chinese herbal, said to have been written in 2700 B.C. The mention of "Tien-chu-kwei," that is Indian cassia, in the Pen-tsao, written in the eighth century, may refer to bark produced in Malabar.

The mention of two spices or perfumes, cinnamon and cassia, in the older books of the Old Testament and in the earliest Greek works on medicine, as nearly allied but of different value, may have only referred to two qualities of what we should now call cassia, this latter name—originally "casia"—being related to the Hebrew "ketzioth," meaning "strippedoff." The barks were originally brought to Europe—that is, to the Levant—by Phoenicians, who obtained them

from the Arabs; and the ancient notion that they were derived from a "regio cinnamomifera" in Somaliland may have been merely an error arising from the fact that this trade passed through several hands, or may have been part of the common characteristic system of trade mystification. The full Arabic name "Kirfat-ed-darsini," bark of the Chinese tree, shortened into "Kirfah," persists as "Kalfah," the existing Bombay name for Malabar cassia.

As Sir Emerson Tennent pointed out (2), there is no mention of cinnamon as a product of Ceylon prior to the Arab writer Kazwini, about A.D. 1275, and the Minorite friar, John of Montecorvino, about 1293; and Fluckiger and Hanbury (3) make the highly probable suggestion that the Chinese, who were acquainted with *C. cassia*, a very similar tree, and who traded with Ceylon and the coast of Malabar, were concerned in the discovery of the value of the Ceylon bark.

The Chalais, the caste to which the peeling and preparation of cinnamon bark is now restricted in Ceylon, are said to have emigrated from India in the 13th century; and in the following century Mohammedan writers were well acquainted with Ceylon cinnamon and the difference between it and Chinese and Indian cassia. One of them, writing in 1368 of "Darchini," says "the best is that which comes from Ceylon," while the best Chinese cassia ("salikheh") is, he states, thick, reddish, a little bitter and astringent, but sweeter than Indian Kirfah which "tastes like cloves" (4).

Wild cinnamon

The Portuguese, arriving in Ceylon in 1505, found the cinnamon in a wild state, and exacted a tribute of 250,000 lbs. of bark annually from the Sinhalese king. Garcia da Orta, about the middle of the same century, speaks of Ceylon cinnamon as worth four times as much as that from Malabar, and the Portuguese occupation of Ceylon in 1536 is stated to have been accomplished chiefly for the sake of the cinnamon. After the Dutch conquest in 1656, the Government monopoly of the export of bark was strictly maintained, and it was under Dutch auspices that, about 1770, the cultivation of the tree was commenced.

The entire European demand, stated to have been about 400,000 lbs. a year, was then supplied from Ceylon. After

the British conquest in 1796, the annual production, during the monopoly of the East India Co. which lasted until 1883, did not exceed 500,000 lbs.

The Dutch began the cultivation of the tree in Java in 1825; and since a heavy export duty was imposed on Ceylon bark until 1853, the competition of Javanese bark and Chinese cassia had an adverse effect upon the Ceylon in-

Botanical Sources

The genus Cinnamomum shares with the rest of the Order Lauraceae the characteristics of an arborescent habit, with evergreen foilage and numerous cavities containing essential oils in the tissues of all parts of the plant. In certain cases, at least, these essential oils vary in composition in different parts of the same plant and at different ages of the various organs. Oil-glands are generally more abundant in superficial structures, such as the bark and leaves. The Order Lauraceae, which comprises over a thousand species, is tropical or sub-tropical, and has two chief centres of dispersal-Southeast Asia and Brazil; but while its allied genera, Sassafras, Persea and Dicypellium, are American, Cinnamomum, which contains about 100 species, is in origin entirely Indo-Malayan.

In Ceylon, five species of Cinnamomum are recognized (5, 6), four of which are believed to be endemic, and a species belonging to the allied genus Litsea (L. zeylanica. Nees), through possessing little aroma or flavor, is so similar in foliage as to be called "Wild Cinnamon" or, in Sinhalese, "Dawal-kurundu." Twenty-six species are enumerated in the "Flora of British India," only eight of which are dealt with in Watt's "Dictionary of Economic Products," although three or four others are mentioned in his "Commercial Products of India;" the number of species occurring in India is put at about 20 in "Wealth of India," published by the Council of Scientific and Industrial Research. Of these, C. camphora. Nees, the main source of ordinary natural camphor, is a native of Japan, Formosa and China and has only been introduced on a small scale into India. C. glanduliferum Meissner, the "Malligiri" of Nepal, occurring as far east as Assam, C. cecicodaphne Meissner, the Lepcha "Rohu" and "Gun-droi" of Cachar, belonging to the Eastern Himalayas, especially Darjeeling and Assam, and C. parthenoxylon, Meissner, the Martaban Camphor-wood or "Kayo-gadis," from the Eastern peninsula, have camphoraceous woods used locally for boxes or canoes, and may in some cases have gotten into foreign botanical gardens in mistake for C. camphora. These four species belong to

the section camphora, distinguished by its usually penninerved leaves from the larger section malabathrum, which comprises the cinnamon and cassia-yielding species, distinguished by having three to five-nerved leaves.

The true cinnamon is C. zeylanicum, a native of western and southern India, Tenasserim and Ceylon. It is certain that the oil of cinnamon bark varies in amount and quality according to the altitude at which the tree grows, and C. iners Reinw., which ranges from Eastern Bengal over southern India, Burma and Malaysia, where it is a common lowland tree has been suggested (7) as possibly the parent stock of the far more aromatic C. zeylanicum. C. cassia Bl., the source of Chinese cassia bark, or "cassia-lignea," is cultivated in the provinces of Kwangsi and Kwangtung in southeastern China, and is apparently unknown in the wild state. C. loureirii Nees is native to China and Japan, and the trees, growing in the mountainous districts of Annan provide the spice known as Saigon cinnamon. Batavia or Java cassia, known in the London market as "cassia vera," is derived from C. burmanni Bl. grown on the western coastlands of Sumatra, through the species occurs throughout the Malaysian Archipelago and in China. A certain amount of "wild cinnamon" originates from the mountains of Eastern Bengal and consists of the bark of various species, including C. obtusifolium, Nees, C. pauciflorum Nees, C. tamala Nees et Eberm, and others.

Hérail (8) considered that C. loureirri Nees and C. cassia Bl. were varieties of C. obtusifolium Nees, Saigon cinnamon being derived from C. obtusifolium var. loureirii Perrot and Eberhardt, and Chinese cassia from C. obtusifolium var. cassia Perrot and Eberhardt. This view was questioned by Lecomte (9) who suggested in effect that the plant regarded by Perrot and Eberhardt as C. obtusifolium was wrongly named. In recent literature (10, 11), the three species are all recognized as distinct.

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Branch Offices and Warehouses in Leading Cities

SUPPLIERS OF VANILLIN

flavor pattern and flavor profile

By L. C. CARTWRIGHT, Account Executive Foster D. Snell, Inc.

Part 1

In the case of foods and beverages, flavor commonly and properly implies total sensory response to the material taken by mouth. This includes not only actual taste sensations, but also tactile response (mouth feel), and olfactory response (due to volatiles passing from the mouth up into the nose).

Very closely related to the concept of flavor of foods and beverages, and usually directly influencing actual subjective response to flavor, are the appearance and the aroma of the products. Indeed, we shall make little distinction between appearance, aroma and flavor at the moment, but rather consider them all together as properties affecting palatability or acceptance. Incidentally, we define aroma as total sensory response on sniffing or smelling a substance. It may also include tactile response, pain sensations of heat and cold, and possibly other sensations, in addition to simple odor response.

We all know what odor is, even if we can't define it. We can smell it. And we know what taste and flavor are. We can sense them. Indeed most of us are able to sense and distinguish thousands of different aromas and flavors. Some we like and some we don't. Some we like at one time, or in one setting, and not another. And each of us has his own likes and dislikes. Thus we have flavor patterns.

Many different kinds of patterns may be implied or considered under the general designation of flavor pattern. Even restricting these to patterns of food acceptance, they include national, regional, racial, cultural, family and individual patterns. There are also daily patterns, seasonal patterns, associative patterns, and other patterns within patterns. Obviously, exhaustive examination of all these would constitute a tremendous and long-range project, but ignoring their implications can be fatal to the commercial success of a food or beverage product. Fortunately, much is already known of these patterns, if we but organize and use our knowledge, and this points the way to fruitful areas for further investigation.

The expressions "flavor profile" and "aroma profile", which have recently gained fairly wide usage in the field

of fool quality and acceptance evaluation, mean just what the words imply. The aromas and flavors of most foods and beverages are quite complex, being composed of many different odors, tastes and other factors affecting sensory response, at various levels of strength or intensity. It is the total impact of all of these factors together which deerm nes whether we like a particular food product, or like one better than another.

In principle, the aroma or flavor profile is quite simple. It is merely a quantitative expression of the strengths or intensities of each of the individual notes that make up the total aroma or flavor complex of the product. These are expressed in names or descriptive words for each of the individual notes, and numbers indicating the relative strength of each note on some suitable scale. Obviously, such results can be plotted or graphed, and it was from such graphs that the term "flavor profile" originated.

Determination not simple

While the concept is simple, the determination of flavor profiles is far from simple or easy. Indeed, it is the most complex and most difficult of the several methods for evaluation of aroma and flavor. On the other hand, properly and accurately determined flavor profiles provide information about food quality and food acceptance which is invaluable, and which can be obtained in no other way. The flavor profile method provides the key to the study of patterns of flavor acceptance, and the development of food products which will achieve maximum commercial success through optimum consumer acceptance in the markets to which they are offered.

In developing the flavor profile of a product, its flavor must first be carefully analyzed by trained palates to determine what notes are present. This requires not only sensory acuity and training to perceive and distinguish individual minor flavor notes in the presence of much stronger dominant notes, but also experience, skill and imagination in recognizing and naming or describing the various notes. In practice, probably not all of the notes present are ever recognized or named, and often the notes as named are complexes of other notes, but even so, it is not unusual to use as many as 10 or 15 different notes in establishing the flavor profile of a single food product.

Three or more experts

This analysis of a flavor to determine what notes are present is usually done independently by at least three or more experts, carefully trained in profile work. Then they work together, comparing notes, further studying the flavor, and arriving at a consensus as to what notes are present and how they should be named or described.

Next, the relative strengths, of the individual notes must be determined. This is done by a panel, usually consisting of five or six individuals, selected for sensory acuity and carefully trained in profile evaluation. They should also be tested and selected for acuity and reliability in evaluation of the particular food product under study, since even a trained expert may be very good in evaluating certain products, but may have a "blind spot" for certain others.

Often two or more samples are evaluated concurrently, in which case they should be identified only by code markings. Whenever possible, a physical reference standard, such as a sample of the same kind of food

product for which a profile has already been established, is made available to the panel members. A code-marked sample of the reference standard may also be included among the test samples as a check on the current accuracy and reliability of the panel members in determining note strengths.

Flavor chemists plan symposium following FEMA's convention

The Society of Flavor Chemists plans a luncheon and flavor symposium on Wednesday, May 22nd, 1957, at the Hotel Roosevelt, New York City, following the closing of the Flavoring Extract Manufacturers Annual Convention.

The FEMA convention will be held at the FEMA convention May 19th-22nd.

The program will include the following speakers: Dr. J. H. McGlumphy, of Van Ameringen Haebler, Inc., "Application of the Maillard Reaction" in Development of Flavors;" James Broderick, Lever Brothers Co., "Origin of Flavor;" Ernest Polak, Polak's Frutal Works, Inc., "Biosynthesis of Essential Oils."

A panel of flavor experts will be available to render expert advice on flavors for use in beverages, ice cream, candy, baked goods, spice products, etc.

Representatives of the flavor and allied industries are invited to attend.

Further information and luncheon tickets are available from Fred Schumm, secretary of the Society of Flavor Chemists, at Ungerer & Co., Inc., Totowa, N. J.

Dr. Guenther surveys West Indian production of essential oils

Dr. Ernest Guenther, vice president and technical director of Fritzsche Brothers, Inc., has been on an onthe-spot survey of essential oil production in the West Indian and Caribbean areas.

Taking with him the finest motion picture equipment available, Dr. Guenther expected to return with a complete pictorial record of his trip. Rapid developments of importance to the American user of essential oils have occurred in this area since Dr. Guenther's last survey there, several years ago.

Dr. Guenther felt it would be particularly interesting to observe the growth of production in certain of these areas, which at the time of his 1953 survey were experiencing the growing pains of a young industry.

A series of illustrated lectures to be presented in Canada has been scheduled for Dr. Guenther following his return.

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AGENTS AND BROKERS IN

SPICES SEEDS TEAS COFFEES

241 California Street San Francisco II, Calif.

Laboratory flavor testing discussed at second Arthur D. Little symposium

Laboratory flavor testing was discussed at the second symposium on flavor sponsored by Arthur D. Little, Inc., held at the Parker House, Boston.

Different methods of flavor evaluation were described—expert tasters by Edward J. Vinnicombe, Jr., director of tea imports for McCormick & Co., In.; scoring by Edward S. Guthrie, of Cornell University's Department of Dairy Industry, who trains scoring teams for the judging of dairy products, and Edward E. Anderson, food technologist for Arthur D. Little; flavor profiles by Jean F. Caul, of Arthur D. Little; and difference testing by David R. Peryam, chief of acceptance division, Quartermaster Food and Container Institute,

The basic principles underlying flavor analysis and testing, such as statistics and psychological factors, were discussed by George Wadsworth, of the mathematics department of the Massachusetts Institute of Technology, and Samuel Renshaw, department of psychology, Ohio State University.

Members of the Arthur D. Little flavor laboratory talked about laboratory techniques. John B. Bockelmann, of The F. & M. Schaefer Brewing Co., and George W. Fiero, of Esso Standard Oil, explained how their industries have made practical applications of flavor analysis.

Consumer acceptance testing, a closely related activity, is planned as the subject for a third symposium to be held later in the spring.

Tom Burns joins Woolson Spice

Thomas F. Burns has become associated with the Woolson Spice Co., Toledo, Ohio,

Mr. Burns was formerly with the A. C. Israel Commodity Co., Inc., and was also in business in a corporation bearing his own name.

Mr. Burns, who is widely known in the spice trade, resigned as a member of the board of directors of the American Spice Trade Association when he joined Woolson. That company is already represented on the board by ASTA vice president William L. MacMillan.

Former ASTA president Gerrit Leonard was named to serve in Mr. Burns place until the annual meeting in May, when a new director will be elected for the balance of the term.

Plans take shape for ASTA convention

Plans are taking shape for the 1957 convention of the American Spice Trade Association, reports the Spice Letter, lively newsletter issued weekly by the association.

The convention will be held at the Shawnee Inc, Shawnee-on-Delaware. May 26th-29th, 1957.

VANILLA BEANS

Over a Century of Service

THURSTON & BRAIDICH
286 Spring St.
New York, N. Y.

San Francisco Samplings

By MARK M. HALL

• • Green men along coffee row report that business has been fairly active, nothing to brag about and nothing to shed tears over. One thing which held back buying was the property assessment levied in San Francisco, which prompted coffee men to hold down their inventories.

Local mild spots were from 70½¢ to 71¢, while March futures were 66.25¢. At the time of this writing September futures stood at 68.36.

Local men explained that the latter month was at the end of the season for Colombians and Centrals, and that this was an in-between period in which there was likely to be a squeeze. As the crops came in from mild countries during December, prices would ease off, as indicated by December futures at 65.

Salvadors stand at 64.75¢ f.o.b. shipping port, while they were at 66½¢ a month ago. Lack of storage facilities had produced some selling pressure. In the absence of any new developments, some of the green men here believe that the market has seen the last of these high prices.

Buying of Brazils has been holding up in this area. Parana should slacken, and this will add an element of strength to the market; this will be felt especially on the Pacific Coast, as its roasters favor the higher grade Brazils.

This period of relative strength should last until midsummer or later. Then, if there are indications of good flowering and the frosts do not come, these signs should point to a weakening of prices.

However, local green men are not making predictions but just turning over the situation in their minds. Too many unpredictable factors are involved.

There is a feeling that the sale of low grade African coffees are affecting the sales of the standard vacuum packs. In Los Angeles there are a number of brands selling around 75¢. After buying Africans for around 30¢ and Paranas for 40¢ or a little over, there is still a good margin of profit left for the roaster. Fear was expressed that these coffees, which the public is buying instead of paying over a dollar for quality packs, might affect the taste of people to the permanent harm of the industry.

Some green man are not worrying too much, because they feel they make money selling low grade as well as high grade coffees.

- Last month the Western States Tea Association has as its chief luncheon speaker Mort Adams of the Tea Council, who outlined the work of the Council and gave the group many good ideas on the sale of tea. Mort is doing good work in promoting the institutional consumption of tea, as well as in the Armed Forces.
- The Colonial Inn at McCormick & Co.'s Schilling Division has a new hostess, Shirley Goodan, native of Santa Rosa, California. Shirley began her studies at Santa Rosa Junior College and then attended the San Jose State College, where she majored in art and businss. Hostessing is not entirely new to Shirely, as she served in that capacity at Yosemite National Park during summer vacations. She enjoys the work and finds meeting new people facinating. Callers at the firm reciprocate this feeling.
- ■ Warren Kludt, who returned from McCormick's Schilling Division in Los

Angeles, has recently been made manager of the coffee operations of the company here, handling buying and blending under the direction of Paul A. Bidstrup, general director of purchases. Lawson Warburton is his assistant. Lawson is a graduate of Stanford.

- Toby Fleming, head tea buyer of Lipton's at Hoboken, recently visited San Francisco in a trip around the circuit of the companies, offices.
- Howard Kilbride, of S. F. Tyler
 Sons, died last January.
- Clayton Shelhoss, assistant controller at Schillings, has announced another Clayton. The newcomer's name is Kimmerling, from his wife's maiden name, and will be known as Kim. Dixie, Mrs. Shelhoss is doing well and is happy because the boy followed two girls. (Where is my cigar?)
- Every so often Louis Ozor of Tempo-Vane, outgrows his old quarters and has to move to larger ones. Louis installs, builds designs and repairs any type of coffee machinery. When rollers wear down, many roasting plants call in Louis. Now he has plans to move into a building of his own, with a floor space of about 20,000 feet. Recently he investigated a German soluble coffee installation and may add it to his line.
- A coffee luncheon was given by the Moore McCormack Lines at the Commercial Club last month. D. B. Geddes, vice president of the company, outlined the increased service the company is able to give because of the acquisition of the ships of the P.A.B. Lines, of Pope and Talbot. Now they have a ship arriving from Brazil every two weeks.
- ■ The General Steamship Co. gave a buffet supper to coffee men at the Bohemian Club last month.
- The Westfal-Larsen ship, the Hardanger, brought in 83,207 bags of coffee last month, a near record.

 (Continued on page 84)

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New York News

■ ■ The New York Coffee Roasters Association, meeting at the New York Rifle Club, elected officers for the coming year.

Albert Schonbrunn, of S. A. Schonbrunn & Co., Inc., was named president, succeeding Harold Hanson, of American Home Foods, Inc.

William Keogler, Jr., of Albert Ehlers, Inc., was elected vice president. Edward Down, Joseph Martinson & Co., Inc., treasurer; Thomas Dannemiller, Dannemiller Coffee Co., secretary.

Outgoing president Hanson was presented with a silver coffee and tea set, as a token of appreciation for his

The meeting also reviewed the National Coffee Association's sound and color movie for consumers, "The Magic Cup."

■ Coffee men have been saddened by the death of Dan Scheffler, who was associated with the Old Dutch Coffee Co. since 1918.

Mr. Scheffler succumbed early last month to gall bladder complications. He was 55.

He joined the Old Dutch Coffee Co. in 1918 and remained with them continuously, except for a period from 1936 to 1944, when he left to do work for the government.

He was in charge of purchasing supplies for Old Dutch, and he headed up restaurant and institutional sales.

He is survived by his wife.

■ Back in town from a two-week vacation in Florida are Mr. & Mrs. James P. Norton.

The New York green coffee broker visited Fort Pierce and Vero Beach. However, the Dodgers hadn't started training as yet, so he can't report on the team's chances this year.

Jim stated that the fishing was fine, and his suntan attests to the fine weather he had.

- Otto Goldschmidt, of the De Hope Goldschmidt Corp., flew to London last month for a business trip lasting several weeks.
- ■ Visiting the United States recent-

ly to study soluble coffee methods was Ludwig Roselius, of HAB-A. G., Bremen, Germany, coffee importers and roasters,

■ Tea and coffee are among the subjects in the new exhibition of rare books and prints in the Arents Colection of the New York Public Library, Fifth Avenue and 42nd Street.

A French engraving done about 1695 shows a coffee vendor carrying paraphernalia for the serving of tea, coffee, chocolate and—surprisingly—tobacco to passersby.

That the rugged men who took part in the Gold Rush considered tea a manly beverage is indicated by a Currier & Ives print of 1850, which shows a gold-hunter on his way to California carrying a tea kettle among his gear.

■ Louis Schlesinger of James W. Phyfe & Co., Inc., New York coffee brokers and agents, has returned from a six-weeks trip to Africa and Europe.

He visited coffee producing areas in Ethiopia and Kenya. From Africa he went to Switzerland, Holland and Portugal.

■ William P. Keogler recently completed 50 years with Albert Ehlers, Inc., Brooklyn, N. Y. To celebrate the event, a dinner-dance was held at the Victorian House, in Glendale, L. I., attended by more than 350 of Mr. Keogler's associates and their wives. Also on hand, of course, was Mr. Keogler's immediate family.

Herman Koke, who has had the longest service with Ehlers, presented to Mr. Keogler a leather-bound memory book containing congratulatory letters from Mayor Wagner and many other political and business leaders.

Miss Elizabeth Niebergall, the woman with the longest service record at Ehlers, presented to Mr. Keogler a gold engrossed scroll.

Edwin A. Ehlers, Sr., presented a portrait of Mr. Keogler, painted by Janet Lovett, of New York City.

All the awards were arranged for jointly by the employees' committee and Albert Ehlers, Jr., president.

Now treasurer of the Ehlers company, Mr. Keogler started in 1907 as an office boy, a job he got by answering a classified ad in the New York World. Mr. Keogler recalls that his starting salary was \$7.00 a week. Thirteen years later he was elected treasurer of the rapidly expanding company.

Offered retirement a few years ago, Mr. Keogler preferred to continue with the company.

Albert Ehlers, Jr., opened the anniversary celebration with a short eulogy of Mr. Keogler, who then recalled the highlights of his years with the company. Mrs. Keogler added a few comments at the close of his remarks.

 Harry McComb, manager of the green coffee and tea department of Standard Brands, Inc., has accepted chairmanships for the coffee and tea divisions in the 1957 Red Cross campaign for members and funds for the New York Chapter.

E. H. Sennhauser is again serving as chairman of the drive this year for the spice industry.

The campaign seeks to raise \$5,500,000 in New York City toward a National Red Cross goal of \$95,000,000.

■ S. A. Schonbrunn & Co., Inc., has named Foote, Cone & Belding to handle advertising of its Savarin Coffee, effective April 1st.

The company's Medaglia d'Oro Coffee w'll continue to be handled by MacManus, John & Adams.

 Warehouse and storage rates have been revised upward by the Bush Terminal Co. and the Arbuckle Jay Street Terminal, as of March 1st. The effective schedule date for Exchange lots at Jay Street is April 1st.

The new schedule calls for the following rates:

Weights up to 160 lbs., 13ϕ for storage, 35ϕ for handling in and out; 160 to 180 lbs., 14ϕ and 37ϕ ; 180 to 200 lbs., 15ϕ and 40ϕ ; 200 to 240 lbs., 16ϕ and 42ϕ .

■ ■ The Lawes Shipping Co., Inc., general agents for the Caribbean Line, has announced removal of the line's pier location from Pier 16 East River to Pier 14.

The change was made to give better service to shippers, it was explained, since the new pier offers better facilities for loading and discharging cargo.

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New Orleans Notes

By W. McKENNON

■ W. D. Roussel has been elected president of the New Orleans Dock Board. He succeeds Edgar A. G. Bright, who becomes chairman of the finance committee.

Mr. Roussel started his business career with Hard & Rand upon his graduation from Loyola. He became manager of the firm in New Orleans in 1924. He opened his own business in 1936, when Hard & Rand closed their branch office here, and was named their agent. Mr. Roussel served in the Navy in 1918-19.

Other Dock Board members are Ralph Nolan, vice president; Terrence J. Smith, secretary, and Harold Ro-

berts, treasurer.

■ ■ Albert Schaaf, of Stewart Carnal & Co., Ltd., has returned from a trip to Cuba, where he inspected coffee plantations at the invitation of the Cuban government. He went with 35 coffee men from other cities.

Bob Swanson, of Swanson Brothers, Chicago, visited in New Orleans on his return from the Cuban trip.

- Charles A. Nehlig, Sr., 64, vice president of Blue Plate Foods, Inc., died here recently. He is survived by his widow, the former Lillie M. Badeaux, a son, Robert A. Nehlig, a sister, Mrs. Edna Caron, and three grandchildren.
- W. D. Roussel attended the Mississippi Valley Association's annual meeting in St. Louis at the Sheraton-Tefferson Hotel.
- Felix J. Vaccaro & Co. have completed the remodeling of their new quarters and are now located at 425 Gravier Street. The offices have green tile floors, grey walls, modern lighting and the air-conditioning installation is due to be completed at an early date.

The company has announced to the coffee trade that it has been appointed exclusive agents for Compagnie France Amerique, Inc.; G. M. Fakra New York, Inc.; and Jean Appel & Co., Inc., for the sale of African Coffees.

■ ■ The National Coffee Association held a board meeting here aboard the SS Del Norte, where the New Orleans Green Coffee Association entertained later in the day.

Among those present were Edward Aborn, Russell Atha, Ed Bransten, Herman Baerwald, J. M. Clark, E. V. Ackerman, Austin O'Brien, George V. Robbins, David Platter, John Nau-

mann, E. A. Johnson, Peter Folger, Arthur Ransohoff, Robert Sasseen, J. R. Durland, Charles Leister, Philip Eisenmenger, Donald Stewart, John McKiernan, George Westfeldt, Jr., Milton J. Ruth, J. W. Reily, Jr., and Gustav Wedell.

■ ■ Fred A. Wendt and Lucien Seemann, of the Mississippi Shipping Co. attended the Mississippi Valley Association's annual meeting in St. Louis. Mr. Seemann visited the company's offices in New York City, and Chicago, prior to the meeting.

■ Walter J. Flannagan, formerly with the Crest Coffee Co. offices here, has joined Leon Israel & Bros., Inc., New Orleans. He will continue in his capacity as secretary of the New Orleans committee of the U.S. Coffee Advisory Committee.

Ruy Barreto, connected with Cia. S. Joao de Armazens Geraes, Rio de Janeiro, Brazil, was a recent visitor in New Orleans.

■ ■ Ed Ganucheau, of J. Aron & Co., Inc., returned to his desk after being away from the coffee for several weeks.

■ Phil Ricks, of Adolph C. Ricks & Co., with Mrs. Ricks, have returned from a trip to St. Louis.

· Albert Barrientos, of Brazil Sales, and Mrs. Barrientos, are receiving congratulations on the birth of a son.

■ ■ Lloyd Brasileiro has announced that upon the retirement of Oscar Pettezzoni de Almedia, their agent for the Gulf Area, who for 40 years has given his services to the organization, John Prestes, agent, and Felix S. Fonte, Jr., traffic manager, have been appointed to handle the company's interests here.

■ Marie Elsie Schaaf was married to Frank Pearce in a wedding ceremony at the home of the bride's parents, Mr. and Mrs. Albert Schaaf. Members of the immediate families

were present.

The young couple will reside in New Orleans until spring, when Mr. Pearce completes his medical studies and will

begin his internship.

■ ■ Albert Hanemann, president of Hanemann and Cummings, was installed as president of the New Orleans Board of Trade for-1957 at the recent meeting of the board of directors. Installed with Mr. Hanemann were Harold Scherer as first vice president, J. J. Meyers as second vice president, and T. R. Spedden as third vice president.

Chicago

By HARRY T. LANE

■ ■ Frank J. Gruman, vice president of the National Tea Co., and a veteran of a half century in the grocery business, was guest of honor at a gathering of grocery industry leaders in the Chicago Athletic Association. Occasion for the affair was his impending

■ ■ James W. Kennedy has been elected president of Stewarts Private Blend Coffee Co. He formerly was vice president in charge of sales.

David A. Fullerton and Walter Arnold have been elected vice presidents and directors of the coffee and tea firm.

■ ■ His many friends in the coffee and tea industry will be sorry to hear of the death of William V. Carroll, a retired sales representative for the Calumet Tea & Coffee Co., whom he so ably represented in the Chicago area for many years. Mr. Carroll died in Mercy Hospital here. He is survived by two brothers and a sister.

St. Louis By LEE H. NOLTE

■ ■ The St. Louis Coffee Club met recently at Stan Musial & Biggie's.

After the regular order of business, election of officers was held, with these results: president, Edwin S. Spitze, coffee buyer at the Old Judge Coffee Co.; vice president, Edgar R. McCleery, of W. Ferd Dahlen Co.; treasurer, E. N. Crowson, Illinois Central Railriad; secretary, James F. McKenna, McKenna Co.

The president also appointed a special committee to perfect plans to honor lames H. Forbes on his retirement from the coffee business. This takes place at the March meeting of the club, on March 4th. An invitation is extended to everybody in the coffee trade and allied industries to attend.

San Francisco

(Continued from page 81)

- The E. A. Johnsons point with pride to their newly redecorated office room, finished in hardwood and probably setting a pattern for things to come later. Ed Johnson, Sr., spent the Washington Birthday weekend at Pebble Beach. It was rumored that he was practicing at few golf strokes to use at the coming PCCA convention in May.
- ■ The board of directors of the National Coffee Association will hold a meeting at the PCCA convention in May. It shows that PCCA members are not afraid of competition from the distinguished members of the board.

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AGENTS 203 Board of Trade Annex, New Orleans, La.

- Archibald Cook, of the Cook Tea & Coffee Co., Salt Lake City, died last month in that city. He had been ailing for some time, and was in his late 70's. He had built up a very good business in Utah, along with the help of his sons, Keith, Robert and Charles, who are now conducting the business.
- ■ Introducing its new "Doorbell Ringers" campaign, J. A. Folger & Co. has started a heavy spot schedule over KJBS, a San Francisco radio station; 25 announcements will be made weekly.
- Gene Heathcote, of the S. F. Pellas Co., visited Guatemala, El Salvador, Costa Rica and on the way home, New York City. The company has offices in all these places, including New York City.

The last time Gene made a trip of this kind was in 1939. Then Centrals were selling for 12¢ a pound and were headed for 10¢. Now they are around 70¢. At the time of his first trip, Colombia exported in the neighborhood of 2,000,000 bags; now it's close to 6,000000, bags.

■ Carl H. Barlett, well known in the chain store grocery business for the past 31 years, has joined the Schilling Division of McCormick & Company, Inc., as vice president in charge of chain store sales.

For 27 years of his business career, Mr. Bartlett was associated with the Safeway Store organization. For six years prior to his new affiliation, he was manager of the northern California division of Safeway. He also served as manager of the Portland and Phoenix divisions and as zone manager of the Dallas division.

Mr. Bartlett has been elected to the board of directors of the Schilling

A graduate of Missouri Wesleyan College, Mr. Bartlett is married and resides in Hillsborough. He is a member of the California Golf Club.

■ ■ John E. Conley, director of the newly formed institutional department of McCormick & Co.'s Schilling Division, was with McCormick in their Baltimore offices since 1946.

While in Baltimore Mr. Conley was director of McCormick Overseas Trading Co., director of the McCormick Western Hemisphere Corp. and finally director of public relations and assistant to the president.

■ W. Allan Ehrhardt, of the Alexander-Balart Co., has been made an advisor on the Peninsula Employers Council. This organization is patterned along the lines of the Employers Council and the Distributors Association of San Francisco.

It is an attempt by the employers of the Peninsula to have an organization to negotiate with the various unions of the local industries. The tremendous growth of industry on the Peninsula has required the move.

Allan said that the business of his company for 1956 was the largest in their history, and that 1957 was showing signs of still going higher. The great growth of northern California population is responsible, he indicated.

population and coffee

(Continued from page 58)

Venezuela and Costa Rica! The increase of population would require another 213,000 bags by 1960. Talk about "just one cup more" per drinker! There's certainly plenty of room here for "one-mores"-if you can supply the coffee after you create the additional desire to buy.

Now what can the National Coffee Association do about

this problem of "just one cup more," and related problems?

I do not agree that coffee has hit a "consumption barrier." The reaction of consumption to price shows a high degree of elasticity in coffee demand. In other words, consumption still responds readily to favorable and unfavorable influences. Your job is to originate and cultivate those favorable influences and impress them on the consumer.

The most obvious functions you can perform to aid your members with their marketing problems are:

1. Marketing research—consistently and constantly, including better distribution methods.

2. Technical research—to improve coffee, packaging, brewing and additional uses.

3. Public relations, publicity and advertising,—creating a climate favorable to the industry or holding an umbrella over it.

How to grow with America is largely a matter of knowing how America will grow and change, then keeping ahead of the tide rather than merely riding the crest of a single wave. The people and the purchasing power are there in abundance-and increasing at a gen-

With that dynamic market as your field, if you can't increase its yield by "just one more cup" per drinker, plus many more cups for population growth, then I turn you back to Doubting Thomas. You will have forgotten that the free enterprise system is a system under which free men can show enterprise. Opportunity doesn't knock once in America. He knocks every day.

The question is, "How much enterprise will you jointly and severally show when you answer his knocks? Will you sell him 'just one more cup'?"

Hamburg's coffee futures market

(Continued from page 37)

It is understandable that the German coffee trade wanted to reestablish an option market in Hamburg, a big import center of green coffee, once imports had again become possible after the war. The job was tackled in the old spirit, though without exaggerated expectations not warranted by the existing circumstances.

At the end of March 1956, the new Coffee Exchange Floor was inaugurated, and at the same time the reopening of the option market was solemnly celebrated.

The new contract is called "Hamburger Terminkaffee Prime Santos".

It is interesting that, besides Brazils, washed Central American coffees are also deliverable, as various premiums.

The first notice took place on April 5th, 1956.

Nobody was disappointed by the rather slow development of the term market since it had been realized, right from the beginning, that it could not fully function as long as coffee was manipulated by the principal producing countries. Apart from that the Hamburg option market also suffers somewhat from the lack of outside speculations, which is indispensable for its good function-

It is to be hoped that with increasing liberalization in all countries, our option market will eventually regain its former importance.

Spain's coffee drinking champ?

Jose Antonio, Murcia, Spain, won a bet recently by drinking 78 cups of coffee laced with brandy.

Instant coffee use growing in some European countries

A summary of the status of instant coffee in Europe, and the outlook for it in the various countries there, was recently compiled by Jack Louis-Delamare, Le Havre, France.

Here are highlights from his report:

Although it is difficult to assess the exact figure of consumption of instant coffee in Europe, the total of 450,000 to 500,000 bags (3.5% to 4%) can be suggested as a probable basis.

The cause of instant coffee is valiantly and almost exclusively defended in Europe by the pioneers of soluble coffee, the great and powerful Swiss brand which has several plants in Europe.

The European mentality, with all its different shades, is diversely disposed in favor or in distrust regarding instant coffee. Germany, Switzerland, the United Kingdom and Holland are ready to adopt the last born child of the coffee family.

The education of eventual consumers in France and in Belgium is still to take place, while Scandinavian countries at the North of the map, and Italy at the South, have reservations on what is sometimes called, in these countries, "a substitute"

But the fundamental reason for a certain reluctance to instant coffee in Europe is that, generally speaking, on our old Continent, people are not running in so much of a hurry as in the New World.

Consumption of instant coffee in France can be estimated at about 4% and is progressing slowly.

The percentage of instant coffee in Italian consumption is very small, almost negligible, and the larger part of this small amount is consumed by tourists, not by the Italians.

In Sweden, champion of the world percapita coffee consumption, the use of instant coffee can be said to be insignificant.

It is difficult to give an accurate figure on consumption of soluble coffee in England, but it has increased substantially in the last few years, because of the convenience element.

The percentage of instant coffee consumption in Holland is about 6%, on a total of 640,000 bags of green coffee imported.

Switzerland is the native country of instant coffee, and the consumption there is the highest in Europe, estimated at 12% to 15% of the total imports during 1956 (374,000 bags).

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